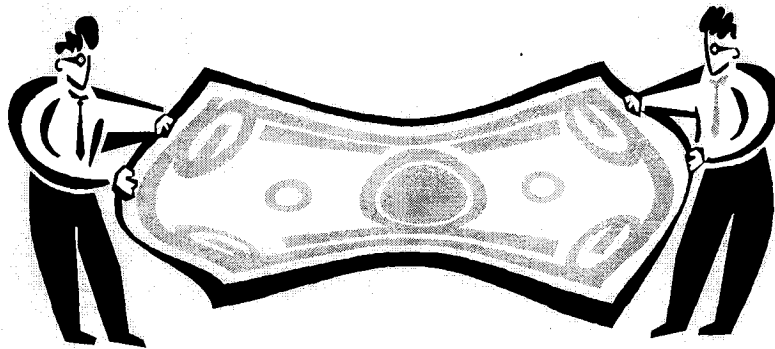


# **BUDGET MESSAGE**

## **FY10**



**Leon A. Gaumond Jr.  
Town Administrator  
Town of West Boylston**



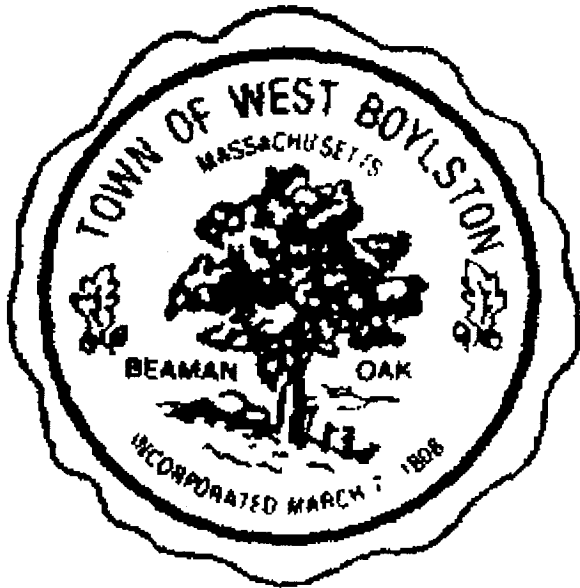
## *Vision Statement*

*It is the Vision of the Town of West Boylston to make West Boylston the most ideal place in the Commonwealth of Massachusetts to live, work, recreate, worship and raise a family.*

## *Mission Statement*

*It is the mission of government of West Boylston to provide all of its citizens with the greatest possible spectrum of basic services, directed at publicly expressed community needs, at the least possible cost. This includes providing a wide range of high quality constituent service to the citizens of the community, continually support a strong economic base for the community, and continuing to work in the best long-term interests of the community while working as a team.*

# Community Profile



West Boylston, incorporated in 1808, and abutting Worcester, flourished through the 19th century as an industrial center, with cotton mills, a scythe factory and boot finishing shops. In 1896, the Metropolitan District Commission chose the south branch of the Nashua River as the storage site for Boston's water supply and the fate of West Boylston, and several other towns, was changed forever.

In 1897, the MDC evicted 1,700 West Boylstonites who lived near the town's center and began razing 6 mills, 8 schools, 4 churches, one hotel and 360 homes to prepare

for the 65 billion gallon reservoir. The entire Beaman Graveyard was moved to the center of town. Buildings, some still in use today, were dragged through the streets. The old stone Baptist Church, built in 1892 and recently restored by the West Boylston Historical Commission is all of the old center that remains in its original place. Away from Route 12, West Boylston is dotted with well-kept sub-divisions.

Most of West Boylston's residents work in Worcester or Worcester County, but I-190 passes through town giving easy access to Routes 9, 20, I-90 and I-495 and Boston is just 40 miles away. Being a suburb of Worcester means easy access to the city's cultural and commercial features.

Some town residents say that West Boylston is the best of both worlds because it is a non-urban environment just a stone's throw from the city. The excellent school system, under a school choice program, has students from other communities enrolled from kindergarten through grade 12.

West Boylston is located in Central Massachusetts, bordered by Worcester and Shrewsbury on the south, Holden on the west, Sterling on the north, and Boylston and the Wachusett Reservoir on the east. West Boylston is about 7 miles north of Worcester, 18 miles south of Fitchburg, 41 miles west of Boston, and 185 miles from New York City.

Narrative compiled by the Massachusetts Department of Housing and Community Development (DHCD).

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LEON A. GAUMOND, JR.  
TOWN ADMINISTRATOR

**TOWN OF WEST BOYLSTON**  
MUNICIPAL OFFICE BUILDING  
127 HARTWELL STREET  
WEST BOYLSTON, MASSACHUSETTS 01583-1108

To: Honorable Members of the Board of Selectmen  
Members of the Finance Committee  
Citizens of the Town of West Boylston  
From: Leon A. Gaumond Jr., Town Administrator  
Re: FY10 Budget Message

**Introduction**

In accordance with the requirements of the Massachusetts General Laws and Chapter 23 of the Acts of 1995 (An Act Establishing a Board of Selectmen-Town Administrator Form of Government in the Town of the West Boylston), I am proud to submit West Boylston's proposed Fiscal Year 2010 Operating and Capital Budgets.

The proposed budget before you is balanced to the extent that the expenditures do not exceed the current revenue projections. However, in order to accomplish this balance, town departments needed to absorb massive cuts in resources due to the declining economy and declining revenue sources. As I have said many times in the last couple of budget cycles, the West Boylston budget process has largely succeeded by reducing discretionary program expenditures and relying heavily on the Town's free cash to balance our budget. As most people know, the Town used significant non-recurring funds to help balance the budget in year's past. This had led to a structural deficit where our operating costs exceeded that of our revenues. This budget is not balanced in this manner as we have little in the way of non-recurring funds. I once again commend the Town Department Managers and the Board of Selectmen for their conservative approach to recent budgets. Sadly, due to the grim financial outlook for the Town at this point, the Town must continue in this approach and is likely to continue for many years to come without significant changes in the budget cycles to come.

**Financial Outlook**

For the past several years, I had said that I was becoming pessimistic about the economic condition in the State. Unfortunately, this has been the case. The state has struggled to meet many of its revenue projections and in most cases failed to do so. The state still faces a structural deficit that it must address before offering any assistance to cities and towns and local aid relief is simply not on the horizon for the cities and towns of Massachusetts.

As in the past couple of years, the Town's focus must continue to be upon those areas of revenues and expenditures that are discretionary in nature. Unfortunately, there are few areas of the budget left that fall into the non-discretionary category. Indeed, core programs and services are expected to be cut or eliminated in the next several years in order to continue to balance the budget without additional revenues.

Unlike recent years, there are no significant non-recurring funding sources to support the operating budget. There are also no significant funds to add to our Stabilization Fund either. I believe that an appropriate stabilization fund balance to be at least 5% of budgeted revenues. Replenishment of the Stabilization Fund should be a critical component of our financial planning, as it protects our bond rating and continued ability to manage unexpected problems.

<b>FY Budget &amp; Free Cash</b>	<b>Total Receipts From all sources</b>	<b>Free Cash</b>	<b>Free Cash as % of Total Receipts</b>	<b>FY Stabilization</b>	<b>Stabilization Fund</b>	<b>Stabilization Fund as % of Total Receipts</b>
1994	8,063,188	67,283	0.83	1993	57,875	0.72
1995	8,892,382	29,954	0.34	1994	32,138	0.36
1996	9,970,082	1,233,362	12.37	1995	45,717	0.46
1997	11,704,752	1,475,163	12.60	1996	526,591	4.50
1998	12,271,320	774,988	6.32	1997	1,476,987	12.04
1999	12,619,267	401,411	3.18	1998	1,690,772	13.40
2000	13,843,537	(33,695)	(0.24)	1999	1,554,762	11.23
2001	14,455,541	447,874	3.10	2000	1,164,057	8.05
2002	15,658,849	480,924	3.07	2001	1,392,489	8.89
2003	16,936,611		0.00	2002	1,470,843	8.68
2004	18,489,250	661,738	3.58	2003	1,798,161	9.73
2005	18,369,048	624,708	3.40	2004	821,339	4.47
2006	19,718,826	754,808	3.83	2005	760,915	3.86
2007	21,262,235	366,464	1.72	2006	870,437	4.09
2008	21,965,313	736,377	3.35	2007	926,782	4.22
2009	23,331,046	20,837	0.09	2008	1,088,531	4.67

Source: DOR Recap Sheets

There are three prominent credit rating agencies in municipal finance that assign credit ratings. I am pleased to report that one of these companies, Moody's, has reaffirmed our bond rating at A2 during a refunding to the Town two years ago. This rating reflects the rating agency's confidence in the Town's ability to manage through the current economic cycle. The more conservative and disciplined the Town is in dealing with our reserves,

Moody's Investor Service	
	Aaa
	Aa1
	Aa2
	Aa3
	A1
⇒	<b>A2</b>
	A3
	Baa1
	Baa2
	Baa3
	Ba1
	Ba2
	Ba3
	B1
	B2
	B3
	Caa
	Ca
	C

the better our ratings are with these credit rating agencies which in turn leads to lower rates on bonds resulting in less tax dollars going to pay for interest. From their notification to the Town:

NEW YORK, -- Moody's Investors Service has assigned an A2 rating to the Town of West Boylston's (MA) \$1.9 million General Obligation Bonds. Concurrently, Moody's has affirmed the A2 rating on the town's \$18.1 million of outstanding long-term debt. The current issue is secured by the town's general obligation unlimited tax pledge, as debt service has been voted exempt from the levy limitations of Proposition 2 ½. The proceeds will retire \$1.8 million outstanding bond anticipation notes dated 8/24/2006. The A2 rating incorporates the town's satisfactory financial position, above-average debt burden and modest growing tax base.

Moody's believes the exemption of approximately half of the town's debt from the limits of Proposition 2 ½ mitigates the town's 2.2% overall debt burden, which should remain manageable given a lack of future

borrowing plans. As a result of School Building Authority (SBA) and Massachusetts Water Pollution Abatement Trust (MWPAT) subsidies, the town's overall direct debt burden falls to a low 1.2%. Voters passed debt exclusions for \$10.5 million of the town's \$20 million outstanding debt, allowing the town to raise necessary property taxes to support related debt service.

Other highlights of the Moody's decision of our financial condition are that they expect West Boylston to maintain a satisfactory financial position of the medium term, that West Boylston's tax base will continue to grow at a modest rate, and that the Town exhibits wealth levels that are on par with the state averages and equalized value per capita.

### **Budget Principles**

Strong budget policies help the Town determine not only what we want, but equally important, what we can afford. As conditions change, the Town must continue to be proactive in adjusting the budget or risk compromising our long-term fiscal health. Over the past several years, the Town administration has developed several budgetary and financial principles to guide the Administration, the Finance Committee, the Town Department's and the citizens in crafting and adopting a budget that continues to preserve

the financial strength of the Town. The policies currently adopted by the Town Administration can be found in Appendix A and include:

- *Policy on Reserve Fund Transfers:* The purpose of this policy is to identify the criteria the Finance Committee will use to rule on requests for transfers from the Reserve Fund.
- *Policy on Intra-Departmental Line Item Budget Transfers:* The purpose of this policy statement is to identify the criteria the Finance Committee will use to rule on requests for intra-departmental transfers between account types.
- *Policy on Spending in Excess of Appropriation:* The purpose of this policy is to provide a summary and interpretation of the statutory prohibition against spending in excess of appropriation.
- *Policy on New Growth Taxation Revenue:* This policy is established as a means to project and develop reasonable operational and capital outlay plans during both normal and unusual periods of real estate development and taxation growth.

This past year, the Town adopted three additional financial policies. They are:

- *Policy on Fraud Prevention and Detection:* The purpose of this policy is to facilitate the development of controls, which aid in the prevention and detection of fraud against the Town.
- *Policy on Identity Theft Prevention:* The purpose of this policy is to comply with regulations issued by the Federal Trade Commission as part of the implementation of the Fair & Accurate Credit Transaction Act of 2003.
- *Policy on Investments:* This policy is established to ensure the security, safety, liquidity, and yields of invested Town funds and to reduce risk in managing the Town's short and long term investment needs.

While these policies are a good start, there are clearly areas for addition. I have directed the Finance Director and spoken with the Finance Committee to think critically about the policies we currently have and where we could adopt others. However, in general, I believe that wherever possible, a municipal budget should be created with the following short-term principles:

- Current revenues must be sufficient to support current expenditures
- Debt is not used to fund current operating expenditures
- Strong General Fund reserves are to be maintained
- Adequate contingency funds are budgeted
- Sufficient maintenance and replacement dollars are included to ensure capital facilities and equipment are properly maintained
- The budget strives to maintain the quality of services currently provided, while at the same time attempts to address any new or increased service demands

Taken as a whole, the Town's financial management policies represent the general philosophy upon which financial decisions are made and include provisions for long-term financial planning, as well as guidelines for the use of Free Cash and Stabilization Fund reserves.



## **Budget Process**

Like most municipal budgets, this budget has been developed upon projected assumptions of available revenue, thereby accepting the limits of the Town's financial resources. The budget is based upon an established ceiling of revenue derived from local property taxes in accordance with Proposition 2 ½. Added to these revenues are State Aid, Miscellaneous Revenues such as fees, permits, and interest earned, and Available Funds such as Free Cash, Recaptured Funds and Special Revenues. The one exception to this process is exempt projects whereby voters determine that a particular project is worthy of an increase in taxation. West Boylston's examples of this include the library renovation project, school renovation projects and a fire truck. Many years ago, the Town has also voted to override the Proposition 2 ½ levy cap for solid waste collection and disposal.

While the projection of available revenues creates a budget ceiling for the Town, an expenditure floor is created by calculating certain fixed or semi-fixed costs such as debt payments, employee benefits, various assessments, and dedication of state education aid. These costs subtracted from projected revenues leaves remaining funds that are available for discretionary spending such as education, public safety, infrastructure maintenance, municipal administration, and community services.

The calculation of this level of monies compared to the previous year creates a growth factor that is applied to local school spending and non-school spending. This methodology is used as a model of distributing funds based upon an assumption of equal sharing of resources and maintaining the established balance of services. It should be noted that school spending must meet the state calculated minimum level of spending as set forth by statute. For more detailed information about this, please refer to <http://finance1.doe.mass.edu/chapter70/>.

This year, I have instructed every department to prepare two budgets for FY10; a level funded budget (taking into account any contractual increases and COLA's) and a minus 10% budget. The budget forms required Department Managers to think creatively about their budgets and were distributed in January; a slight delay than usual given the chaos at the state level. The Town Administrator received most of the budgets back from the Department Managers in February and began to prepare a draft budget in March. Each Department was also given an opportunity to make a claim for additional funding that a Department Manager believed was warranted. The copies of the budget forms used this year can be found in Appendix B.

The Winter was not the first time that the Town's major financial players (the Selectmen, the School Committee and the Finance Committee) began thinking about the FY10 budget however. The three boards began meeting at the beginning of FY09 and met throughout the year with the Town Administrator, the School Superintendent and the Finance Director to explore cost reductions and efficiencies in the budget to save money for the terrible budget year ahead. The members of all three boards should be

commended for their diligence in these meetings. A summary of their findings can be found in the Appendix and will be reviewed periodically to see what can be accomplished.

I have established the following West Boylston Budget Process timeline to develop the budget every year:

- **July/August:** Assessors finalize valuation tables and complete inspections of newly constructed buildings; Assessors prepare new growth update
- **August/September:** Identify goals and strategic needs; Update the Financial Plan Forecasts; Assessors prepare & review new assessed valuations
- **October:** Assessors calculate new growth for certification by DOR, Fall Town Meeting makes adjustments to new fiscal year budget as needed; Final Tax Rate set
- **November:** Operating Budget Request Forms sent out to Departments; Selectmen hold classification hearing; Town obtains tax rate approval
- **December:** Town Administrator reviews requests and develops operating budget
- **January:** Preliminary operating budget presented to Finance Committee
- **February/March:** Finance Committee and Town Administrator holds public budget hearing; Proposed budget presented to Board of Selectmen and Finance Committee
- **May:** Proposed operating budget presented to Town Meeting
- **June/July:** June 30 current fiscal year ends; July 1 new fiscal year begins; State budget typically passed with Final State Aid numbers (aka Cherry Sheets)

### Personnel Summary

In a relative sense, the fastest growing cost segment of the budget is personnel and personnel related expenses such as medical and personnel related expenses such as health care insurance, pension costs and Medicare contributions. As vacancies occur, every effort will be made to reexamine positions with a view toward restructuring, reducing, or eliminating where possible.

### **Personnel Summary**

Dept Code	Description	2003	2004	2005	2006	2007	2008	2009	Notes:
123	Town Administrator	2.00	2.00	2.00	2.00	2.00	2.00	2.0	
135	Finance Director	2.00	1.00	1.00	1.00	1.00	1.00	1.0	Finance Director Outsourced - No Benefits
141	Assessors	2.00	1.00	1.00	1.00	1.00	1.00	1.0	Principal Assessor Outsourced - No Benefits
145	Treasurer/Collector	3.00	3.00	3.00	3.00	3.00	3.00	3.0	
161	Town Clerk	1.50	1.50	1.50	1.50	1.50	1.5	1.5	

194	Town Hall	0.50	0.50	0.50	0.50	0.50	0.50	0.50	
210	Police	14.00	14.00	14.00	14.00	14.00	14.00	14.00	
210	Police – Reserve Officers	2.00	2.00	0.00	0.00	0.00	0.00	0.00	Reserve Offices Eliminated during FY04
220	Fire	4.00	4.00	4.00	4.00	5.00	5.00	7.00	New grant supported officers
235	Dispatch Center	5.75	5.75	5.75	5.75	5.75	5.75	5.75	
241	Building Inspector	1.50	1.50	1.50	1.50	2.00	2.00	1.5	B.I. position now regionalized
300	Education	172.19	165.58	159.61	167.0	167.0	164.28	160.63	
420	DPW	8.75	8.75	8.25	8.25	8.25	8.0	7.0	Director split with Sewer Dept
491	Cemetery	1.00	1.00	1.00	1.00	1.00	1.0	1.0	
541	Council on Aging	2.00	2.00	2.00	2.00	2.0	2.0	1.0	Loss of ½ of dept. staff.
610	Library	6.50	6.50	5.90	6.50	6.50	6.5	4.6	Staff reduction in FY10
	<b>Totals</b>	<b>228.7</b>	<b>220.08</b>	<b>211.01</b>	<b>219.0</b>	<b>220.5</b>	<b>217.53</b>	<b>211.48</b>	
434	Sewer	1.75	1.75	1.25	1.25	1.25	1.0	1.0	Director split with DPW

As you can see from the above information, over the past several years, the Town Government has seen a reduction of its budgeted work force from 56.51 FTE (Full-Time Equivalents) in FY03 to 50.85 in FY10 (about 10.0%). Likewise, the schools have seen a reduction of 7.9 FTE (from 172.19 in FY03 to 160.63 in FY09), a reduction of about 6.7% over the past several years. Unless something dramatic occurs with the Town's revenues and/or expenses in the next several years, the Town will have no choice but to look at further staff reductions.

### **Capital Budget**

As will be done every year, the Town Administrator has asked that Town Departments prepare separate requests for capital items. Under the current law providing for the West Boylston Capital Investment Fund, the Town Administrator has established the following draft West Boylston Capital Budget Process timeline to develop the capital budget every year:

- **Pre-July:** Proposed capital budget forms are reviewed and approved by CIB and are sent to all Town Boards and Departments
- **September 1st:** Final Capital Budget requests are due to be sent to the CIB
- **September/October:** CIB to hold meetings with departments on Capital Budget requests and to approve the list of articles to be supported at the Town Meeting
- **October:** Capital items voted on at Fall Town Meeting
- **November:** CIB to modify the Capital Projects List according to actions taken at Fall Town Meeting

It should be noted that the Capital Investment Board is discussing a modification to the Special Act that created our Capital Investment Fund in the hopes that the schedule will coincide with the fiscal year. I shall also point out that this above schedule is 'draft' as the Capital Investment Board has not yet formally adopted this schedule.

There have been numerous capital purchases over the past few fiscal years that have come from various sources. One area of note, the current balance of funds in the Capital Fund is \$41,036.14.

### Capital Purchases History

Date	Article	Purpose	Amount	Source
5/17/2004	30	School Roof & Related Repairs Study	70,000.00	Capital Investment Fund
	39	FY 2005 Operating Budget		
		Computer Operations	7,030.00	Taxes
		Police	19,500.00	Taxes
5/16/2005	22	School Roofs	2,000,000.00	Debt
	23	Gym Floor	112,000.00	Debt
	28	Replace Fire Truck	421,000.00	Debt
	31	Capital Items		
		Dump Truck Plows (2)	25,600.00	Capital Investment Fund
		Computer Equipment	9,350.00	Capital Investment Fund
		Lease Police Cruisers (3)	31,501.00	Capital Investment Fund
		Shared Pick Up Truck (1/2)	13,000.00	Capital Investment Fund
10/16/06	5	DPW Vehicle	43,000	Capital Investment Fund
10-15-07	11	School – Fuel Tank Monitoring	26,700	Capital Investment Fund
	12	New Ambulance	165,000	Ambulance Receipts Reserved
5-19-08	26	School – window replacement	85,000	Capital Investment Fund
	26	Fire Department Vehicle 2	35,000	Capital Investment Fund

### **Budget Appropriations and Accounting**

The Town of West Boylston operates under state statutes and Town Bylaws as amended to establish the Selectmen-Town Administrator form of government. The legislative body of West Boylston is an Open Town Meeting. Town Meeting has the sole authority to appropriate funds for the operating budget and capital projects except for specific instances where statutes or regulations do not require appropriation. Any amendments to appropriations require Town Meeting vote at either a regular or Special Town Meeting. The procedures for Town Meeting are specified in Article 1 of the Town of West Boylston By-Laws.

The budget presents only the General Fund, which is required by state statute to be appropriated by Town Meeting. Revenues from Special Revenue Funds such as sewer betterment fees and monies from the sale of cemetery lots are used to offset specific departmental budgets. These funds are used in accordance with laws designed to provide funding sources for specific purposes.

The budget for the Town is presented on a modified accrual basis. Briefly, this means that transactions are recorded when expenditures are dispersed and when revenues are received. Obligations of the Town (i.e. outstanding purchase orders) are not reflected as expenditures in the year incurred but are reflected in the year disbursed. Funds for these obligations are reflected in the year disbursed. Funds for these obligations are reflected as 'continued' appropriations from prior fiscal years.

### **Budget Format**

I have chosen this format for the FY10 Budget Message to provide the citizens and Town officials with a document that more effectively communicates the important fiscal issues facing the Town. The budget document provides this Budget Transmittal Message, Budget Summaries & Highlights, as well as detail on departmental requests where necessary.

The comprehensive detailed departmental budgets provide greater information regarding revenues and expenditures. However, it should be noted that these details are provided for informational purposes only and represent submissions very early in the budget process. The final budget vote of the Town Meeting aggregates departmental requests into functional areas broken into personnel and operating line item expenses. This consolidated breakdown constitutes the legal budget authority that ultimately governs the manner and amount of local funding expended during the fiscal year.

### **Major Upcoming Issues**

Looking forward, there are a number of things facing the Town that need the particular attention of the Town Officials and the citizens:

- 1) Revenue shortfalls: Without question, the largest concern the Town is facing is the potential for losses of revenues. We are seeing losses of revenues in most major categories of revenues. State aid is dropping rapidly and FY10 is setting itself up to be another problematic year for state aid. Excise taxes are also a growing area of concern as well as investment income. The Finance Director and I have taken a very pessimistic view of revenues for FY10 and that fact is reflective in the proposed FY10 budget.
- 2) Building/facility needs: Not surprising to anyone who has general knowledge of the Town's facilities, this issue remains a serious problem to the Town's citizens, employees and future generations. The Municipal Building Committee has met continuously over the last couple of years and is bringing forward a proposal to purchase a ready-made building at 150 Hartwell to meet some of our building

needs. Presently, the Town is leasing office space at 127 Hartwell Street in the industrial district.

- 3) Costs of personnel benefits: As was mentioned previously, the dramatic cost increases associated with personnel and personnel related benefits are one of the largest 'budget busters' that most employers face, and West Boylston is no different. While we have made great strides in taking steps to control our costs, particularly in health insurance, much more needs to be done. As I have said before, the Town will not be able to continue to absorb double digit increases on the employee benefit side without serious implications on the Town's budget. We must now look to the state for legislative changes to help municipalities deal with the issues of pension liabilities and rising health care increases.

### **Conclusion**

In summary, the FY10 Budget as proposed is balanced as written. It also provides for the continued financial stability of the Town and attempts to maintain essential services in spite of slowing revenues. However the Town Administration still has work to do in order to ensure that West Boylston continues to be a good place to live, work, play and raise a family. We must continue to reduce costs wherever possible and plan carefully for the future. Comprehensive and realistic planning will only become more crucial as we head into even more years of fiscal uncertainty.

Respectfully submitted,

TOWN OF WEST BOYLSTON

LEON A. GAUMOND JR.  
Town Administrator

# Budget Highlights

## **FY10 Revenue Budget – Overview**

West Boylston has enjoyed somewhat modest revenue growth over the past several years ranging from roughly 3% to 6%. Unfortunately, the trend over the past few years shows that the Town's revenue increases have slowed considerably, none worse than this year.

The Town's revenue for appropriation is divided into four main categories: property taxes, state aid, available funds and miscellaneous receipts. For FY10, the Town's revenue looks as follows:

State Aid: \$4,157,035 (using House Ways & Means numbers)
Available Funds: \$401,000 (using current estimates)
Local Receipts: \$1,768,500
Tax Levy: \$12,886,523 (including \$70,000 for new growth)
<b>Total Revenues projected for FY08: \$19,213,058</b>

## **Property Taxes**

Property taxes are the largest single revenue source for the Town and historically provide approximately 60% of total operating revenues. Typically, year to year variations of 1 or 2% are the result of external factors beyond the Town's control which affect some of the significant components on non-tax revenues; examples include the amount of state funding received, the general level of building activity and the movement, up or down, of interest rates.

Property taxes are levied on real property (land and buildings) and personal property (equipment) used by West Boylston's non-manufacturing business firms. In accordance with State Law, the Town's Board of Assessors determines the fair market value of all taxable real property.

Under the provisions of Proposition 2 ½, property taxes, in the aggregate, may not exceed 2 ½% of their 'full and fair cash value.' This limit is known as the 'levy ceiling.' Annual levy increases may not exceed 2.5% more than the previous year's levy plus the taxes added from any new properties added to the tax rolls. Any Proposition 2 ½ override or debt exclusion amounts voted are added to the levy limit.

For a more detailed view of the Town's Taxation Analysis, please refer to the chart in the Appendix D entitled Town of West Boylston Taxation Analysis. As you can see, the Town is becoming more and more reliant upon residential taxes as a main source of the Town's revenues (from 79.09% in FY01, peaking at 85.9% in FY06, and now at 84.6%).

This is increasingly unhealthy for our Town to maintain and continues to move in the wrong direction.

As the Town's primary revenue source, the property tax levy limit is expected to increase in FY10 by approximately \$367,339 to \$12,886,523 once we back out the revenue deficit of roughly \$41,400 due to the Governor's 9-C cut. This increase includes the allowable 2.5% increase plus new growth of roughly \$70,000 in taxes from new growth properties projected to come on line (estimated).

### **State Aid**

State aid – West Boylston's second largest revenue source – is more than likely to be cut this year. Currently we do not know what the state aid numbers are estimated to be. With state revenues declining and budget gaps increasing at the state level, it may be some time before we can expect increases in local aid. According to the House numbers (worse than the Governor's preliminary numbers) the Town is in line to receive approximately \$3,518,576 when you back out the assessment charges. We also receive \$638,459 in school building assistance money to help offset our payments for the school renovation project for a total of \$4,157,035.

### **Miscellaneous Local Receipts**

This category of revenues includes a variety of fees, permits, fines, and license related monies that the town receives, as well as interest that is earned on investment or paid by late taxpayers. The single largest source of funds within this category is Motor Vehicle Excise Taxes, which is a state tax collected by the municipality for its own use and is much lower than in recent years due to the declining economy. The level of miscellaneous receipts is greatly affected by outside economic conditions. Hence, the current recessionary period results in fewer buildings and fewer new licensed establishments and businesses being started. The general economic slowdown also affected the amount of money earned through interest on investments and on the level of delinquent taxes being paid with interest.

In general, the Town's Financial Officials are projecting the Town's Miscellaneous Receipts are expected to be less than last year and we will estimate this at \$1,768,500. We continue to monitor how we are doing on our local receipts for FY09 and we do not expect these numbers to be improving much over the next few months.

### **Available funds**

Another source of funds for the Town is monies in various Special Revenue Funds, certified free cash from prior years, unexpended bond proceeds, and funds remaining from completed projects. Let me be clear that these sources of funds may not always be consistent and should not be counted on for developing our annual revenue numbers. A more prudent approach to these funds would be to use these funds to appropriate for warrant articles and to add to our stabilization fund and/or capital investment fund.



Indeed, last year the Town voted at Town Meeting to use three quarters of a million dollars to help balance the budget that is not available for appropriation this year.

This year, the Town realized Certified Free Cash of approximately \$16,837 at the close of FY09 that is available for expenditure. These funds were derived from aggressive tax collections, revenues in excess of initial projections, and budgetary surpluses. As I previously mentioned, in FY09 Town Meeting used nearly \$750,000 of the Town's free cash to help balance the budget.

<b>Town of West Boylston Free Cash History FY 2001 - FY 2006</b>				
<b>Balance As Of:</b>	<b>Certified Free Cash</b>	<b>Used At</b>	<b>Amount Used</b>	<b>Used For</b>
June 30, 1999	0			
June 30, 2000	447,874	ATM 05/01 for FY02	30,000	Add to ATM 5/00 Art#26 For Mixer Improvements
			37,874	Transferred to Stabilization
			380,000	Reduce FY02 Tax Rate
June 30, 2001	480,924	ATM 05/02 for FY03	480,924	Reduce FY03 Tax Rate
June 30, 2002	0			Not Certified
June 30, 2003	661,738	ATM 05/04 for FY05	661,738	Reduce FY05 Tax Rate
June 30, 2004	624,708	ATM for FY06	624,708	Balance the budget
June 30, 2005	754,808	ATM for FY07	754,808	Balance the budget
June 30, 2006	366,464	ATM for FY08	366,464	Balance the budget
June 30, 2007	736,377	ATM for FY09	736,377	Balance the budget
June 30, 2008	16,837	ATM for FY10		Available after 10/08 TM

Other sources of available funds in FY10 are projected to include our stabilization fund, our Capital Fund, transfers from ambulance receipts, transfers from the Wachusett EMS Fund, any overlay surpluses, and other sources. One area of good news, our ambulance receipts are an area of growth for the Town.

In FY09, the Town utilized roughly \$1 million in available funds to balance the Town's budget. As one would imagine, this is a very difficult position for the Town to find itself in on a yearly basis, however that is exactly where the Town finds itself.

## **FY10 Operational Expenditure Budget – Overview**

The Town's operational expenditures are divided into functional categories that become the legal budget appropriated at Town Meeting. These functional categories include General Government, Public Safety, Education, Public Works, Human Service, Culture and Recreation, Debt Service, Intergovernmental, Employee Benefits, and General Insurance. Also added to this is the sewer enterprise operating budget. The final budgeting category, though not part of the actual budget vote, is the remaining Town Meeting Warrant articles that have a financial impact.

Below, I shall detail the proposed expenditures for all line items for the Town budget. This is by no means a 'level services' budget. Most departments have significant impacts to their operations with the proposed budgets. There are no pay increases at all built into this budget. This has been reviewed and recommended by the Board of Selectmen on April 29, 2009.

### **Analysis of General Government**

Moderator: I am proposing reducing this line item to \$51. This reduces the expenses to attend the annual Massachusetts Moderator Association training conference and meeting and covers his elected salary, which is reduced for this year to \$1.

Board of Selectmen: I propose reducing this line item to \$5,555 by greatly reducing the expenses in the office. Essentially, this line item will cover the elected salary for the Selectmen (which is reduced for this year to \$1 each), legal postings and mailings throughout the year, as well as MMA expenses. By supporting this line item, the Town Administrator is assuming that the legislation regarding legal postings will be changed thereby reducing our advertising costs. If this legislation is not changed, then it is likely that the Selectmen will not be attending the MMA conference at the Town's expense.

Town Administrator: I propose funding this line item to \$162,075. No increases are included for the Municipal Assistant or the Town Administrator. The purchased services amount will be reduced.

Finance Committee: I am proposing eliminating funding for this line item.

Reserve fund: This fund is necessary to cover any unforeseen expenses incurred by the Town and the Finance Committee must approve any expense paid through this fund. This safety net to cover unexpected costs in the upcoming year shall be hampered by a reduction in the reserve fund. While I strongly recommend funding this line item on an annual basis, I am left with few areas of discretion on the Town side of government to cut costs without even more drastic cuts in critical public safety and governmental programming. The Selectmen have asked me to reduce this line to \$48,659.

Finance Department: I am proposing level funding this line item at \$158,150. This maintains the one employee in the department with no salary increase and level funds for the third year our professional contract with FAA. It should be noted that FAA has foregone their contractual increase each year for the past three years.

Town Audit: I am proposing increasing this line item from \$27,500 to \$38,000. This amount will allow us the Town to obtain our basic financial statements as well as our semiannual GASB 45 actuarial study to provide for OPEB (Other Post Employment Benefits). While I am hopeful to continue to negotiate a lower rate for this service, this is a realistic increase for these financial statements.

Assessors Department: I am decreasing this line item from \$80,100 to \$79,488. This budget provides for no salary increases for the Assistant Assessor, and maintenance of the current level of services from the Assessor's Office. The Assessors salaries will be lowered this year to \$1.

Treasurer/Tax Collector: I am proposing decreasing this line item from \$146,107 to \$143,763. This increase provides for no salary increases for the employees of the department, necessary step increases, and maintenance of the current level of services from the Treasurer/Tax Collector department. It also includes \$2000 for tax title enforcement.

Town Counsel: Above the objections of the Town Administrator and at the request of the Board of Selectmen, I am proposing reducing this line item from \$85,000 to \$81,500. We will have to be more conservative with the Town Counsel budget and it does leave us potentially short. I will need to work with all departments and the Board of Selectmen on keeping within this budget, if possible.

Personnel: I am proposing eliminating this line item. This Board reviews the proposed changes in the wage classification and job descriptions.

Computer Services: I am proposing reducing this line item from \$69,815 to \$60,690 which INCLUDES the purchase of a very limited amount of needed equipment. This amount includes the increased costs for our computer maintenance contracts. On the capital side, I am proposing a decrease in expenses to cover various computer supplies for the Town and the purchase of new workstations to replace computers no longer under warranty and was deferred from the last two years. No new software purchases are included in this budget.

Town Clerk: I am proposing decreasing this line item from \$60,936 to \$60,674. This budget maintains the services provided in the Town Clerk's office with no increases in salary for the Town Clerk or the Assistant Town Clerk.

Elections: I am proposing decreasing this line item from \$21,730 to \$20,817. If we have a special election request this year, this budget will not be sufficient to cover that expense.

Planning Board: The Planning Board is no longer able to operate effectively under its revolving fund without an allocation of funds from Town coffers. Without additional resources, the Planning Board will be left with the choice of reducing the services provided to the community through reduced meetings and reduced staffing levels. I am proposing that they receive an allocation from the Town of \$3,000 to help cover their secretary and posting costs. They will continue to maintain their revolving fund.

Public Safety Building: I am proposing decreasing this line item from \$63,640 to \$61,440. This increase provides for no increases in the salaries account and a marginal decrease in the supplies and maintenance budget.

Town Hall (formally Mixter Building): I am proposing decreasing this line item from \$157,470 to \$151,070. This increase provides for no increases for the janitor at the Town Hall and will pay the rental costs of the 127 Hartwell Street property which the Town now leases for its services. It does not include any increases in rental costs which have yet to be determined. The decrease in the budget come from the purchased services line item.

Town Report: I am proposing reducing this line item from \$2,461 to \$2,000. This reduction is due to the work of the Municipal Assistant in reducing the printing costs of the annual Town Report.

Total General Government expenditures: I am proposing funding this section of government at \$1,076,932, a decrease of 2.1%.

#### History of General Government expenditures

Operating Budget:	2004	2005	2006	2007	2008	2009	2010
General Government	776,181	857,705	941,896	1,010,332	997,791	1,099,858	1,076,932

#### Analysis of Public Safety

Police Department: I am proposing decreasing this line item from \$1,228,509 to \$1,170,219 including the leases on the police cruisers as part of the Police Department operating budget. This includes no salary increases for any department personnel including the Police Chief. This budget will have an adverse effect on our police department. The budget proposed could result in One-Officer patrol shifts at many times. This would mean that only one Police Officer would be available on duty to respond to calls, patrol the entire community, make arrests and so forth. One Officer patrol shifts are totally unacceptable. This places Public Safety in jeopardy, both the responding Officer and the Public. The reduction for FY10 from FY09 actually means that there is very little funding for officers to go to Court and to participate in ANY training. There are also very little funds to replace an officer should a vacation day, sick time, bereavement time, injured on duty time, personal day time etc be taken throughout the year by anyone. This literally means that if any Officer on the 11p.m. to 7 a.m. shift takes any time off whatsoever that

those vacancies may not be filled with overtime. This funding level also means that should an incident/arrest/accident/complaint occur at such a time that the responding Officers have to remain over their normally scheduled shift times that that Officer will not be paid for their time. A reduction of the amount proposed also ensures that a new replacement patrol car will not be leased /purchased to replace a front line cruiser that already has over 120,000 miles on it. There will obviously be a trickle down effect on the remainder of the fleet as well. The funding for FY10 also eliminates contractual coverage for our computer systems and other law enforcement network systems. The Chief advises that there will also be a loss of the funds to replace any uniform equipment to include officer's boots, ammunition, and replacement cartridges for the tasers, pepper spray and so forth. The budget that has been preliminarily proposed stops short of having to be forced to consider a "lay off" of a Police Officer at this time however the Chief and I feel strongly that the Police Department could be facing a lay off prior to the end of FY10 simply due to the facts presented above. The Police Department, even with the strongest support from all personnel, can not be funded at this level and still maintain even a level service. The Police Department operates on a 24/7 emergency operations schedule 365 days a year, holidays included. This funding could absolutely place the officers themselves in jeopardy as well as the public that we serve.

Fire Department: I am proposing decreasing this line item from \$562,247 to \$506,022. Like the Police budget, this is an extremely difficult budget to propose or support. This budget calls for a reduction in the cell phones used for both emergency and non-emergency coverage, deferring the purchase of any new protective gear, reduction in the number of replacement portable radios, inability to replace any old hose this year, elimination of all training funds for the year, a massive impact on the call department where the number of available shifts will be reduced, a 50% reduction in stipends, and the reduction of any overtime among other reductions in services.

Public Safety Communications: I am proposing decreasing this line item from \$246,045 to \$233,995. This decrease provides for no salary increases and a continued deterioration in the communications system which is still insufficient in many ways.

Building Department: I am proposing decreasing this line item from \$104,050 to \$89,545. This budget continues the existing practice of sharing our building inspector with the neighboring town of Sterling. This arrangement, while saving both Towns some needed revenues, does cut the hours of the Building Inspector in the Town of West Boylston.

Sealer of Weights: I am proposing reducing this line item from \$1,900 to \$1,775 to maintain the current contract with the Commonwealth to do the measure tests. The Town does recoup inspection fees for these tests that pay for the contract.

Emergency Management: I am proposing decreasing this line item from \$5,500 to \$4,900. As always, it is the Town's hope that the civil defense budget will be

supplemented with grants. At its current level, this budget does not allow for any advancement of the Town's emergency management processes.

Animal Control: I am proposing reducing this line item from \$9,600 to \$9,300. The animal control officer has agreed to a pay decrease in an effort to help the Town meet the fiscal crisis in West Boylston. I believe this line item will adequately maintain services for the animal control department.

Total Public Safety expenditures: I am proposing funding this section of government at \$2,015,756 a reduction of 6.1%.

#### History of Public Safety expenditures

<b>Operating Budget:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Public Safety	1,526,320	1,498,734	1,607,648	1,805,722	2,052,078	2,146,651	2,015,756

#### Analysis of Education

Education: The School Department has been asked to balance their expenses for FY10 at \$8,920,792, a decrease of 4.9% over FY09.

#### History of Education expenditures

<b>Operating Budget:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Education	8,196,845	8,032,908	8,326,705	8,857,690	8,927,045	9,380,045	8,920,792

#### Analysis of Public Works

Public Works: I am proposing reducing this line item from \$557,689 to \$515,920. This decrease will have a major impact on the Department of Public Works. There are no increases to the union or non-union personnel including the Director. At one point this budget called for the elimination of one position in the department in the parks division and the elimination of our parks maintenance funding (field users will need to take responsibility for the maintenance of the fields). Thanks to Departmental Turnbacks and employee concessions, we are able to restore a portion of the parks funding. We had to build into the budget a conservative increase in fuel costs. We are also forced to make very difficult decisions on the yard waste recycling program and we are exploring the idea of running this program during the week to avoid any overtime costs which are eliminated in next year's budget. We are reducing any training left in the budget as well as further reductions in the tree maintenance funds. As the Town Administrator, I am very concerned about the continued deterioration of the Department of Public Works.

Snow and Ice Removal: I am proposing level funding this line item at \$104,324. This budget cannot be reduced from level funding in order to allow for overspending in the event of drastic emergency situations.

Street Lighting: I am proposing level funding this line item at \$81,761. This budget reflects the costs to provide streetlights on the Town's roads. Any reduction of this line item could cause the elimination of some of non-essential streetlights.

Trash Removal & Disposal: I am proposing reducing this line item from \$418,000 to \$313,000. On the collection side, I am expecting the cost to rise from \$243,000 to \$253,000. On the disposal side, I am expecting the cost per ton to increase by the end of the year to about \$80.35/ton, which comes to \$180,500. With the vote of the Board of Selectmen to go to a Pay As You Throw trash system, we anticipate making up the remainder of the trash disposal costs in bag fees.

Cemeteries: I am proposing decreasing this line item from \$40,230 to \$35,910. This line item pays for the salary of the Cemetery Superintendent and the salaries of the Cemetery Commissioners required by Town Bylaw (which for this year will be reduced to \$1).

Total Public Works expenditures: I am proposing funding this section of government at \$1,050,915, a decrease of 12.6% mainly due to the loss of the employee at the DPW and a reduction in the trash budget due to the PAYT program.

#### History of Public Works expenditures

Operating Budget:	2004	2005	2006	2007	2008	2009	2010
Public Works	906,474	905,431	1,025,489	1,102,842	1,158,631	1,202,004	1,050,915

#### Analysis of Human Services

Board of Health: Like the Planning Board, the Board of Health is facing the drastic situation of not providing adequate services to the community due to a lack of funds in their revolving account. Last year, the Town included Board of Health funding back into the Town's budget. This year, I am proposing reducing this line item from \$12,500 to \$10,300. This funds some of the cost of the secretary to the Board of Health and the consulting services of the VNA for disease management. Like the Planning Board, they would continue to operate their revolving account to cover the remainder of their operating expenses however inability to cover the expenses of the office may result in reduced hours in the department. As it is, the annual flu clinic and office trainings are likely to be eliminated from the budget. In addition, the salaries for the Board of Health would be reduced to \$1 for this year.

Council on Aging: I am proposing reducing this line item from \$51,202 to \$46,110. This proposal continues reduced staffing at the Council on Aging and could greatly reduce service to the elder community. This is the basic level of funding necessary to keep the programs running, including meals on wheels and the dial-a-ride program.

Veterans Services: I am proposing level funding this line item at \$44,505. This line item provides for benefits for Town veterans and a level funded salary for the veteran agent. The Town will receive 75% reimbursements on expended benefits.

Total Human Service expenditures: I am proposing funding this section of government at \$100,915 a decrease of 6.7%.

#### History of Human Service expenditures

<b>Operating Budget:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Human Service	64,200	65,400	70,350	80,361	78,709	108,207	101,115

### **Analysis of Culture & Recreation**

Library: There has been no issue that has galvanized the Town more during this budget process than the funding for the Library. Many citizens have come forward to show their support for library funding. With this budget, I am proposing funding this line item at \$267,000. This is short of what they need to avoid a waiver for accreditation by the Massachusetts Board of Library Commissioners. However, they will remain open for the next fiscal year and the West Boylston Library Trustees and the Library Staff will be challenged to once again work within a challenging budget.

Historical Commission: I am proposing continuing to provide no funding for the Historical Commission.

Celebrations: This line item was formally called Memorial Day Expenses. At this point, I am proposing reducing this line item from \$1,710 to \$0. This line item had been used to fund expenses for Memorial Day services and to purchase brass markers and flags as needed. Thanks to private donations this year and a modification of the celebrations revolving fund, these expenses will be removed from the budget entirely. As the Town Administrator, I would like to thank those who have helped to raise funds to continue our support for those who have served admirably.

Arts Council: I am proposing eliminating funding from the Arts Council this year.

Total Culture & Recreation expenditures: I am proposing funding this section of government at \$267,000, a decrease of 15.5%.

#### History of Culture & Recreation expenditures

<b>Operating Budget:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Culture & Recreation	309,420	301,429	309,300	328,192	315,850	315,850	267,000

### **Analysis of Debt Service**

Debt – Principal: I am proposing decreasing this line item from \$1,155,301 to \$1,150,301. This line item is a fixed cost to the Town and represents the amount of money the Town is required to pay for the principal on its debt largely due to the new school gymnasium floor, school roof and fire truck.



Debt – Interest: I am proposing reducing this line item from \$467,399 to \$413,450. This line item is a fixed cost to the Town and represents the amount of money the Town is required to pay for the interest on its debt.

Short-term borrowing: I am proposing decrease this line item from \$19,000 to \$1,350 in order to cover interest on temporary loans to the Town.

Total Debt Service expenditures: \$1,565,101 - a decrease of 4.70%. These are fixed costs to the Town.

#### History of Debt Service

Operating Budget:	2004	2005	2006	2007	2008	2009	2010
Debt Service	1,592,360	1,566,921	1,462,483	1,535,550	1,687,306	1,641,700	1,565,101

#### **Analysis of Intergovernmental**

Intergovernmental: This line item used to be called Regional Planning and includes the Town's participation in the Central Massachusetts Regional Planning Commission. This assessment rate comes to roughly \$1,509. Also added to this is the amount of money needed to participate in M.O.R.E. (Municipalities Organized for Regional Effectiveness), which tries to provide cost saving opportunities to member communities in greater Worcester. This group works to improve municipal regionalization and the cost-savings associated with such cooperation. Based upon a decision of MORE, the membership for participation will be waived for next year thus saving several thousand dollars for the Town.

Total Intergovernmental expenditures: \$1,509 - a decrease of 54.8%. These are fixed costs to the Town.

#### **Analysis of Employee Benefits**

Retirement and Pensions: This is a fixed cost of the Town and cannot be lowered in accordance with Chapter 32, Section 22 (7)(c)(ii). Therefore, the Town must allocate \$554,734, an increase from last year, to be paid to the Worcester Regional Retirement System. The Town did see some savings by prepaying the year's cost to the Worcester Retirement System.

Workers Compensation: This is a fixed cost to the Town and is based, in part, by our workers' compensation claim experience. Due to decent claim history and the recommendation of our workers' compensation insurance agent, I am recommending that we decrease this line item from \$55,000 to \$42,000.

Unemployment Insurance: This is a fixed cost to the Town and is based upon a percentage of the Town's payroll. However, we saw great increases in this line from last year due to the number of layoffs this past year. I believe we need to fund this line item

at an appropriate amount and Mike Daley and I are recommending \$150,000 for next year.

**Group Health Insurance:** This is a fixed cost to the Town and is the Health Insurance line item for the Town and School employees. I am proposing level funding this line item at \$3,106,904. This betters the industry standard of 8-10% increase by coming in at 0% due to negotiations with our health insurance carrier and employee concessions. Credit must go to the employees of West Boylston and our Insurance Advisory Committee for their work on this subject.

**Group Life Insurance:** This is a fixed cost to the Town and should not be lowered. Based on stable premium costs, the Finance Director has recommended that this line item be maintained at \$13,000.

**Medicare:** This is a fixed cost to the Town and is based upon a percentage of the Town's payroll. It is requested that this line item be maintained at \$155,000 to cover expenses for FY10.

**Total Employee Benefits:** \$4,021,638 - an increase of 1.8% primarily to cover increases in retirement and unemployment.

#### History of Employee Benefits

<b>Operating Budget:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Employee Benefits	2,827,806	2,893,500	3,119,815	3,276,408	3,508,264	3,953,468	4,021,638

#### Analysis of General Insurance

**General Insurance:** I am reducing this line item from \$145,100 to \$140,000. As you know, this is about \$40,000 less than what we historically had been paying before moving over to MIIA. This is a reduction of 3.5% from last year.

#### History of General Insurance

<b>Operating Budget:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
General Insurance	195,000	200,000	185,100	185,100	145,100	145,100	140,000

This budget, as presented, no longer relies heavily on non-recurring funds to achieve balance. The Town Administrator's work with the Town Department Managers to return as many funds to the Town's budget from FY090 for FY10 along with the Selectmen's vote to adopt PAYT, the employees conceding on pay raises for next year as well as their concessions on health insurance have all contributed to the success of this year's budget. The total budget is projected to be \$19,160,558, a decrease of \$835,665 or 4.2%.

## **Appendix**

**A) Town Financial Policies adopted by Board of Selectmen**

**B) School Funding Analysis**

**C) Budget Forms FY2010**

**D) Taxation Analysis**



# **TOWN OF WEST BOYLSTON**

## **BOARD OF SELECTMEN**

### **POLICY**

#### **Policy on Spending in Excess of Appropriation**

**Purpose:** To provide a summary and interpretation of the statutory prohibition against spending in excess of appropriation.

**Background:** Department Heads often request Reserve fund transfers after incurring liabilities which exceed the budget appropriation. Such requests must precede the liability. Incurring unfunded liabilities is illegal and punishable by both a fine and imprisonment as noted in Chapter 44, Section 62 of the Massachusetts General Laws.

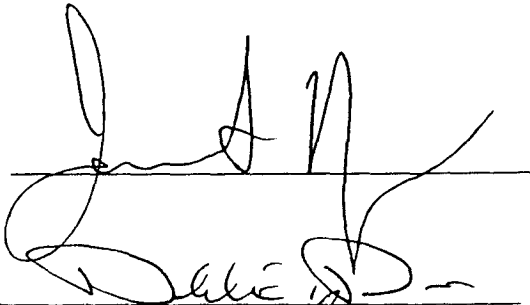
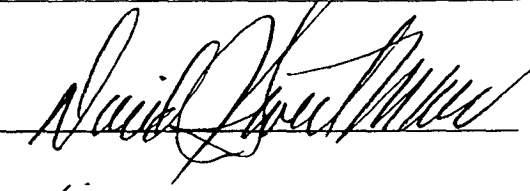
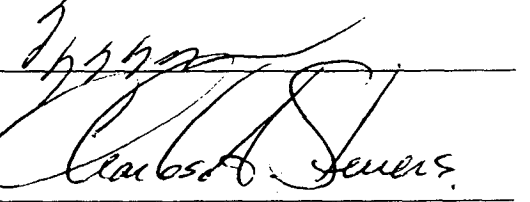
An exception to this prohibition is the snow and ice account. Approval of both the Board of Selectmen and the Finance Committee is required to overspend the snow and ice removal account.

- Policy:**
1. As noted in Chapter 44, Section 31 of the Massachusetts General Laws "No department financed by municipal revenue...shall incur a liability in excess of the appropriation made for the use of each department,...each item voted by the town meeting...being considered as a separate appropriation, except in cases of major disaster.
  2. The Finance Committee, by approving a transfer into a designated account may increase the appropriation. Liabilities may then be incurred up to but not exceeding this new appropriation.
  3. An exception to the prohibition of excess liabilities is Section 31D which permits the town to incur liability in excess of appropriations for snow and ice removal provided that such expenditures are approved by the Board of Selectmen and the Finance Committee and that the appropriation in the current fiscal year equaled or exceeded the prior year appropriation.

4. Requests to over-expend the snow and ice account will be made in writing to the Finance Committee by the Board of Selectmen. This request will note the meeting date and vote of approval by the Board and include justification for the over expenditure. The Finance Committee will provide a written confirmation (if so voted) to the Board of Selectmen.

Adopted:

Date: September 15, 1999



# TOWN OF WEST BOYLSTON BOARD OF SELECTMEN POLICY

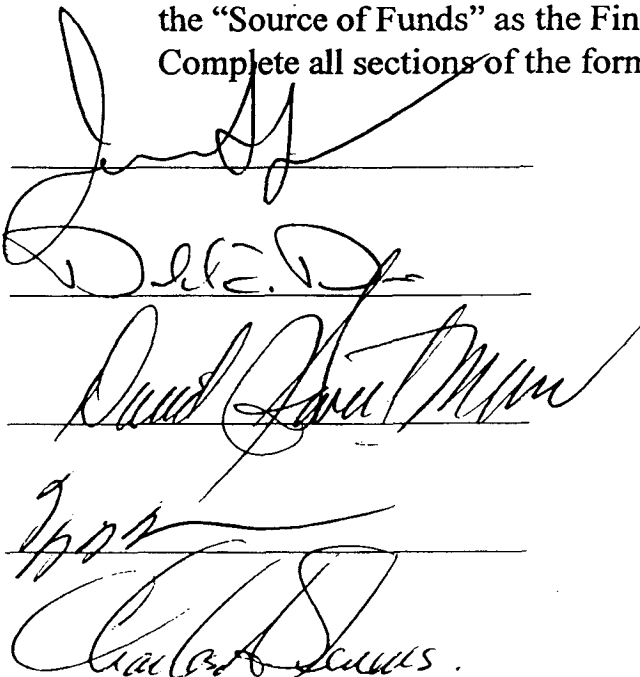
## Policy on Reserve Fund Transfers

- Purpose:** The purpose of this policy statement is to identify the criteria the Finance Committee will use to rule on requests for transfers from the Reserve Fund.
- Background:** The Reserve Fund is appropriated by the Town Meeting to provide a source of funds to address extraordinary or unforeseen situations. The guidelines for the Reserve Fund are contained in Chapter 40, Section 6 of the Massachusetts General Laws.
- Policy:**
1. The total Reserve Fund recommended appropriation for any fiscal year may not exceed five percent of the tax levy for the pending fiscal year.
  2. No direct expenditures may be made from the Reserve Fund. Funds may only be transferred from the Reserve Fund to other operating accounts. A majority vote of the Finance Committee is required to approve such a transfer. For the purpose of this policy, this is defined as a majority of the committee members present at a posted, legal meeting of the Finance Committee.
  3. Transfers may be requested to help fund emergency or unforeseen expenditures.
  4. Reserve Fund transfers are intended to minimize the need for Special Town Meetings but are not intended to replace the Town Meeting. If a Town Meeting is held between the event prompting the transfer request and submission of the request, the committee will be justified in rejecting the request.
  5. In order to approve a transfer request, the Finance Committee must be of the opinion that the request would be approved by a Town Meeting.

6. The receiving account must not have had its appropriation level explicitly set by the Town Meeting at a level below the budget recommendation. Such action by the Town Meeting will be deemed as an indication to limit the respective account.
7. The transfer request must be for a legal expenditure.
8. No transfer request will be approved after July 15<sup>th</sup> (fifteen days after the end of the fiscal year for which the transfer would be effective).
9. Transfer requests should be submitted at lest one week prior to the Finance Committee meeting at which the request will be considered.
10. A representative of the requesting organization should plan to be present at the meeting to defend and explain the request.
11. Transfer requests should be submitted prior to the expenditure. Departments should not expend unappropriated funds anticipating approval of a Reserve Fund transfer.
12. The Finance Committee may require that the requesting department deplete other funds before the transfer request is considered.
13. Reserve Fund transfer requests must be submitted using the attached form. The request should include three copies of the request form as well as any supporting documentation (an explanation of the expense, estimate of the cost, evidence of an emergency or extraordinary nature). Identify the "Source of Funds" as the Finance Committee Reserve Fund. Complete all sections of the form.

Adopted:

Date: September 15, 1999



The image shows five handwritten signatures, each written over a horizontal line. The signatures are in cursive and vary in style. The first signature is the most prominent, followed by four others below it.



## TOWN OF WEST BOYLSTON BOARD OF SELECTMEN POLICY

### Policy on Intra-departmental Line Item Budget Transfers

**Purpose:** The purpose of this policy statement is to identify the criteria the Finance Committee will use to rule on requests for “intra-departmental” transfers between account types.

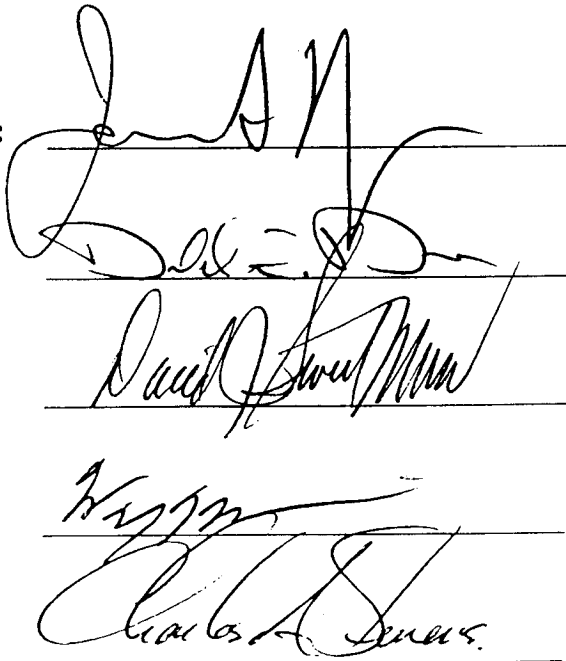
**Background:** The Town Meeting may, by approving a specific article, during the budget process permit departments to transfer funds between account types with Finance Committee approval.

- Policy:**
1. Transfers may be requested to help address unforeseen circumstances or changes in funding assumptions.
  2. Intra-departmental transfers are intended to minimize the need for Special Town Meetings but are not intended to replace the Town Meeting. If a Town Meeting is held between the event prompting the transfer request and submission of the request, the committee will be justified in rejecting the request.
  3. In order to approve a transfer request, the Finance Committee must be of the opinion that the transfer would be approved by a Town Meeting.
  4. The receiving account must not have had its appropriation level explicitly set by the Town Meeting at the level below the budget recommendation. Such action by the Town Meeting will be deemed as an indication to limit the respective account.
  5. The transfer request must be for a legal expenditure.
  6. Transfer requests will only be considered if the expenditure is consistent with the intent of the original Town Meeting appropriation.



7. No transfer requests will be approved after July 15<sup>th</sup> (fifteen days after the end of the fiscal year for which the transfer would be effective).
8. Transfer requests should be submitted at least one week prior to the Finance Committee meeting at which the request will be considered.
9. A representative of the requesting organization should plan to be present at the meeting to defend and explain the request.
10. Transfer requests should be submitted prior to the expenditure.  
Departments should not expend unappropriated funds anticipating approval of a transfer.
11. The Finance Committee may require that the requesting department deplete other funds before the transfer request is considered.
12. Transfer requests must be submitted using the attached form. The request should include three copies of the request form as well as any supporting documentation (an explanation of the expense, estimate of the cost, explanation of the changes prompting the request). Identify the "Source of Funds" as the applicable department account. Complete all sections of the form.
13. This policy shall be nullified by promulgation of special legislation as authorized by action taken under Article 4 of the May 18, 1998 Semi-Annual Town Meeting.

Adopted:



The image shows four handwritten signatures, each written on a horizontal line. The signatures are in cursive and vary in style. The first signature is the largest and most prominent. The second signature is smaller and more compact. The third signature is also smaller and appears to be a different person's. The fourth signature is the largest of the four and is written in a more formal, cursive style.

Date: September 15, 1999



# TOWN OF WEST BOYLSTON

## BOARD OF SELECTMEN

### POLICY

#### Policy on New Growth Taxation Revenue

**Purpose:** This policy is established as a means to project and develop reasonable operational and capital outlay plans during both normal and unusual periods of real estate development and taxation growth.

**Background:** New growth taxation is annually developed via the assessing process. The Department of Revenue (DOR) generally certifies the actual new growth revenue by early December of the current fiscal year.

Given the recent five-year trend (2003 – 2007) of unusual real estate development activity in the Town of West Boylston, the annual new growth revenue has been unusually high. It is management's opinion that this unusual revenue development has or is about to conclude and return to historical levels.

Research has determined that normal tax levy growth in West Boylston approximates 1.44% of the prior year's Legal Levy Limit as determined by the DOR. Recent (5 Year) activity has been as high as 4.11% and has averaged 3.3%.

Given the above, the Town of West Boylston hereby establishes the following policy pertaining to New Growth Taxation Revenue.

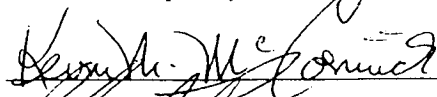
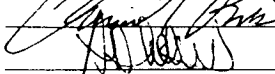
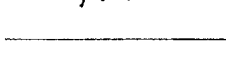
**Policy:** Each fiscal year, the town will budget and utilize not more than 1.44% of the prior fiscal year's legal levy limit for operational budget purposes.

Any annual new growth taxation revenue in excess of the above amount will first be considered as a means to meet the town's operational reserve of five percent of annual revenues, which is to be maintained within the stabilization fund.

Any annual new growth revenue in excess of the levels necessary to satisfy the two uses previously outlined above shall be presented at any available town meeting with a recommendation that they be raised and appropriated into the town's Capital Investment Fund.

This policy will be reviewed annually by January 20.

Adopted:

Date: 3-1-07



POLICY No.: J-6  
DATE ADOPTED: MAY 20, 2009

## TOWN OF WEST BOYLSTON BOARD OF SELECTMEN'S POLICY

### Identity Theft Prevention Program

**Purpose:** This Identity Theft Prevention Program (the "Program") was created in order to comply with regulations issued by the Federal Trade Commission (FTC) as part of the implementation of the Fair and Accurate Credit Transaction (FACT) Act of 2003. The FACT Act requires that financial institutions and creditors implement written programs which provide for detection of and response to specific activities ("red flags") that could be related to identity theft. Likewise, users of consumer reports who receive a notice of an address discrepancy from a Credit Reporting Agency ("CRA") must have procedures in place in order to form a reasonable belief of the consumer's identity.

The FTC regulations require that the program must:

1. Identify relevant red flags and incorporate them into the program
2. Identify ways to detect red flags
3. Include appropriate responses to red flags
4. Address new and changing risks through periodic program updates
5. Include a process for administration and oversight of the program and staff training
6. Include appropriate and effective oversight of service provider arrangements
7. Effectively respond to "notices of address discrepancy"

**Background:** This program is in response to and in compliance with the Fair and Accurate Credit Transaction (FACT) Act of 2003 and the final rules and guidelines for the FACT Act issued by the Federal Trade Commission and federal bank regulatory agencies in November 2007

### **Program Details:**

#### Relevant Red Flags

Red flags are warning signs or activities that alert a creditor to potential identity theft. The guidelines published by the FTC include 26 examples of red flags that fall into the five categories below:

- Alerts, notifications, or other warnings received from consumer reporting agencies or service providers
- Presentation of suspicious documents
- Presentation of suspicious personal identifying information
- Unusual use of, or other suspicious activity related to, a covered account
- Notice from customers, victims of identity theft, or law enforcement authorities

After reviewing the FTC guidelines and examples, the Finance Department determined that the following red flags are applicable to sewer utility accounts. These red flags, and the appropriate responses, are the focus of this program.

- A consumer credit reporting agency reports the following in response to a credit check request:
  - Fraud or active duty alert
  - Credit freeze
  - The Social Security Number (SSN) is invalid or belongs to a deceased person
  - The age or gender on the credit report is clearly inconsistent with information provided by the customer
- Suspicious Documents and Activities
  - Documents provided for identification appear to have been altered or forged.
  - The photograph on the identification is not consistent with the physical appearance of the customer.
  - Other information on the identification is not consistent with information provided by the customer.
  - The SSN provided by the customer belongs to another customer in the Customer Information System (UTILITY BILLING SOFTWARE APPLICATION).
  - The customer does not provide required identification documents when attempting to establish a utility account or make a payment.
  - A customer refuses to provide proof of identity when discussing an established utility account.
  - A person other than the account holder or co-applicant requests information or asks to make changes to an established utility account.
  - An employee requests access to the billing system or information about a utility account, and the request is inconsistent with the Privacy of Utility Account Information Rules.
- A customer notifies the Sewer Division of any of the following activities:
  - Utility statements are not being received
  - Unauthorized changes to a utility account
  - Unauthorized charges on a utility account
  - Fraudulent activity on the customer's bank account or credit card that is used to pay utility charges
- The Sewer Division is notified by a customer, a victim of identity theft or a member of law enforcement that a utilities account has been opened for a person engaged in identity theft.

#### Detecting and Responding to Red Flags

Red flags will be detected as Sewer Division and Department of Finance employees interact with customers and the town's credit reporting agency. An employee will be alerted to these red flags during the following processes:

- Establishing a new utility account: When establishing a new account, a customer is asked to provide a SSN so that the town can run a credit check. Reports from the credit reporting agency may contain red flags.

**Response:** Do not establish the utility account. Ask the customer to appear in person and provide a government-issued photo identification. A deposit may also be required in order to establish service.

- Reviewing customer identification in order to establish an account or process a payment: The town employees may be presented with documents that appear altered or inconsistent with the information provided by the customer.

**Response:** Do not establish the utility account or accept payment until the customer's identity has been confirmed.

- Answering customer inquiries on the phone, via email, and at the counter: Someone other than the account holder or co-applicant may ask for information about a utility account or may ask to make changes to the information on an account. A customer may also refuse to verify their identity when asking about an account.

**Response:** Inform the customer that the account holder or the co-applicant must give permission for them to receive information about the utility account. Do not make changes to or provide any information about

the account, with one exception: if the service on the account has been interrupted for non-payment, the town employee may provide the payment amount needed for reconnection of service.

- Processing requests from Town of West Boylston employees: Employees may submit requests for information in the UTILITY BILLING SOFTWARE APPLICATION billing system that are inconsistent with the rules regarding: Privacy of Utility Account Information.

**Response:** All requests for direct access to the UTILITY BILLING SOFTWARE APPLICATION system are approved by the DPW Director, so the Information Technology Department should reject requests that have not received appropriate approval. All other requests for information from the UTILITY BILLING SOFTWARE APPLICATION system should be reviewed to ensure that they do not violate any part of the Privacy Policy. Requests that are inconsistent with the policy will be denied.

- Receiving notification that there is unauthorized activity associated with a utility account: Customers may call to alert the Town about fraudulent activity related to their utility account and/or the bank account or credit card used to make payments on the account.

**Response:** Verify the customer's identity, and notify the DPW Director immediately. Take the appropriate actions to correct the errors on the account, which may include:

- Issuing a service order to connect or disconnect services
- Assisting the customer with deactivation of their payment method
- Updating personal information on the utility account
- Updating the mailing address on the utility account
- Updating account notes to document the fraudulent activity
- Adding a password to the account
- Notifying and working with law enforcement officials

- Receiving notification that a utilities account has been established for a person engaged in identity theft.

**Response:** These issues should be escalated to the DPW Director immediately. The claim will be investigated and appropriate action will be taken to resolve the issue as quickly as possible.

Additional procedures that help to protect against identity theft include:

- UTILITY BILLING SOFTWARE APPLICATION system access is based on the role of the user. Only certain job classifications have access to the entire system.
- Customers may not access information about their utility account online.
- The Finance Department will investigate ways to reduce the number of paper receipts generated during payment processing.
- The Finance Department will ensure that service providers that receive and process utility billing information have programs in place to detect and prevent identity theft.

## ADDRESS DISCREPANCIES.

- In the event that a notice of address discrepancy is received, the employee responsible for verifying consumer addresses for the purpose of providing the municipal service or account sought by the consumer shall perform one or more of the following activities, as determined to be appropriate by such employee:
  - Compare the information in the consumer report with:
    - a. Information the employee obtains and uses to verify a consumer's identity;
    - b. Information the Sewer Division maintains in its own records, such as applications for service, change of address notices, other customer account records or tax records; or
    - c. Information the Sewer Division obtains from third-party sources that are deemed reliable by the relevant employee; or
  - Verify the information in the consumer report with the consumer.
- Furnishing Consumer's Address to Consumer Reporting Agency.
  - In the event that the Sewer Division reasonably confirms that an address provided by a consumer to the Sewer Division is accurate, the Sewer Division shall provide such address to the consumer reporting agency from which the Sewer Division received a notice of address discrepancy regarding such consumer. This information shall be provided to the consumer reporting agency when:
    - a. The Sewer Division is able to form a reasonable belief that the consumer report relates to the consumer about whom the Sewer Division requested the report;
    - b. The Sewer Division establishes a continuing relation with the consumer; and
    - c. The Sewer Division regularly and in the ordinary course of business provides information to the consumer reporting agency from which it received the notice of address discrepancy.
  - Such information shall be provided to the consumer reporting agency as part of the information regularly provided by the Sewer Division to such agency for the reporting period in which the Sewer Division establishes a relationship with the customer.
- Methods of Confirming Consumer Addresses.
  - The Sewer Division employee charged with confirming consumer addresses may, in his or her discretion, confirm the accuracy of an address through one or more of the following methods:
    - (1) Verifying the address with the consumer;
    - (2) Reviewing the Sewer Division's records to verify the consumer's address;
    - (3) Verifying the address through third party sources; or
    - (4) Using other reasonable processes.

### Administration and Oversight of the Program

The Town Administrator is responsible for oversight of this program and for program implementation. The Town Administrator is responsible for reviewing reports prepared by staff regarding compliance with this program and with recommending material changes to the program, as necessary in the opinion of the Town Administrator, to address changing identity theft risks. Any recommended material changes to this program shall be submitted to the Town Administrator.

Finance Department staff is required to prepare an annual report which addresses the effectiveness of the program, documents significant incidents involving identity theft and related responses, provides updates related to external service providers, and includes recommendations for material changes to the program.

The program will be reviewed at least annually and updated as needed based on the following events:

- Experience with identity theft
- Changes to the types of accounts and/or programs offered
- Implementation of new systems and/or new vendor contracts

Specific roles are as follows:

The DPW Director will submit an annual report to the Finance Director and the Town Administrator. The DPW Director and Town Collector will also oversee the daily activities related to identity theft detection and prevention and ensure that all members of the Sewer Division and Town Collector's staff are trained to detect and respond to red flags.

The Finance Director will provide ongoing oversight to ensure that the program is effective.

The Finance Director will review the annual report with the Town Administrator and together with the DPW Director they will present recommended changes to the program, both annually and on an as-needed basis.

The Board of Selectmen must approve the initial program and all future changes.

**The Investment of General Funds (Including Stabilization and Capital Investment Funds), Special Revenue Funds (Including CPA Funds), Enterprise Funds (Including the Municipal Light Plant) Capital Projects Funds and Trust Funds**

**PURPOSE:**

To formalize policies to ensure the security, safety, liquidity and yields of invested Town funds and to reduce risk in managing the town's short and long term investment needs.

**AUTHORITY:**

MGL – Chapter 44, Section 54  
MGL – Chapter 44, Section 55  
MGL – Chapter 44, Section 55A  
MGL – Chapter 44, Section 55B

**A. Scope**

This section of the policy applies to most town funds such as general funds (including the town's stabilization and capital investment funds), special revenue funds (including the town's CPA funds), enterprise funds, bond proceeds and capital project funds. Section II will deal with the town's trust funds. A separate Regional Contributory Retirement Board is responsible for the investment of the pension funds.

**B. Objectives**

Massachusetts General Laws, Chapter 44, section 55B requires the municipal/district treasurer to invest all public funds except those required to be kept uninvested for purposes of immediate distribution. Modern banking systems enable the public treasurer to maintain even these funds in interest bearing form until the date a disbursement order clears through the banking system.

The state law further requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking account of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of the entity's business.

*Safety* of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. The diversification and prudent selection of investment instruments, and choice of depository shall mitigate these risks. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.

*Liquidity* is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.



*Yield* is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

### **C. Investment Instruments**

Note: Public investments in Massachusetts are not protected through provisions in State law. Therefore, they are largely uncollateralized. Many banking institutions are willing to put up collateral, albeit at a cost to the entity of a lower interest rate. The Treasurer negotiates for the highest rates possible, consistent with safety principles.

It is the Town's policy that the Treasurer may invest in the following instruments:

1. **Massachusetts State pooled fund:** Unlimited amounts (Pool is liquid)

The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer and currently managed by Fidelity Investments. It invests in Bankers Acceptances, Commercial Paper of high quality, Bank Certificates of Deposit, Repurchase agreements (Repos), and U. S. Treasury Obligations. It has Federal Deposit Insurance Corporation (F.D.I.C.) pass-through insurance on the C.D.'s and takes delivery on the Repos and Treasuries. Under Government Accounting Standards Board Regulation (GASB III), it is not considered an uncollateralized product.

2. **U. S. Treasuries that will be held to maturity:** Unlimited amounts (Up to one year maturity from date of purchase)
3. **U.S. Agency obligations that will be held to maturity:** Unlimited amounts (Up to one year maturity from date of purchase)
4. **Bank Accounts or Certificates of Deposit**, hitherto termed C.D.'s. (Up to one year) which are fully collateralized through a third party agreement: Unlimited Amounts
5. **Bank accounts and C.D.'s (Up to one year) insured by F.D.I.C.** up to \$100,000 limit. All bank accounts and C.D.'s in one institution are considered in the aggregate to receive the \$100,000 insurance coverage. In some cases Banking Institutions carry additional insurance, i.e. Depository Insurance Fund of Massachusetts (D.I.F.M). **Insured by D.I.F.M.** the Balance is Limited to the Amount Guaranteed in Writing to be Insured by the Bank.
6. **Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories.** These investments are subject to the following limitations: These investments will be limited to no more than 5% of an institution's assets and no more than 10% of a municipality's cash. Their credit worthiness will be tracked by Veribanc, Sheshunoff, or other bank credit worthiness reporting systems. They will be diversified as much as possible. C.D.'s will be purchased for no more than three months and will be reviewed frequently.

7. **Money Market Mutual Funds that are registered with the Securities and Exchange Commission that have received the highest possible rating from at least one nationally recognized statistical rating organization** and as otherwise referenced in the Massachusetts General Law Chapter 44 Section 55.

#### **D. Diversification**

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities as well as concentration in a specific institution. With the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies, and State pools (MMDT), no more than 10% of the Town's investments shall be invested in a single financial institution.

#### **E. Authorization**

The Treasurer has authority to invest municipality/district funds, subject to the statutes of the Commonwealth Massachusetts General Law Chapter 44 Sections 55 & 55B.

#### **F. Ethics**

The Treasurer (and any Assistant Treasurers) shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. Said individuals shall disclose to the Chief Executive Officer any material financial interest in financial institutions that do business with the town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the town's investments.

#### **G. Relationship with Financial Institutions**

Financial institutions should be selected first and foremost with regard to safety. Municipalities/Districts should subscribe to and use one or more of the recognized bank rating services, such as Veribanc or Sheshunoff. Brokers should be recognized, reputable dealers.

When using the Veribanc rating service the Treasurer may invest in such banks that show a green rating in a particular quarter. If a rating is yellow the Treasurer should contact the appropriate banking institution and request in writing an explanation of the change in rating and the expected time table for it to be changed to green.

If for a second quarter such rating has not been corrected, the Treasurer should consider removing all funds that are not collateralized, or carries some form of depositors insurance.

If a rating moves to red all money should be immediately collateralized or covered by some form of depositors insurance or be removed from the banking institution.

The Treasurer shall require any brokerage houses and broker/dealers, wishing to do business with the municipality, to supply the following information to the Treasurer:

Audited financial statements

Proof of National Association of Security Dealers certification

A statement that the dealer has read the municipality's investment policy and will comply with it

Proof of credit worthiness (minimum standards: at least five years in operation and a minimum capital of 10 million dollars)

#### **H. Restrictions**

Chapter 44, Section 55 set forth the several restrictions that the Treasurer must be aware of when making investment selections.

- A Treasurer shall not at any one time have on deposit in a bank or trust company an amount exceeding 60% of the capital and surplus of such bank or trust company, or banking company, unless satisfactory security is given to it by such bank or trust company, or banking company for such excess.
- The treasurer shall not make a deposit in any bank, trust company or banking company that he is associated as an officer or employee or has been the same for any time during the three years immediately preceding the date of any such deposit.
- All securities shall have a maturity from date of purchase of one year or less.
- Purchases under an agreement with a trust company, national bank or banking company to repurchase at not less than original purchase price of said securities on a fixed date shall not exceed ninety days.

#### **I. Procedures**

On an annual basis, a report containing the following information will be prepared by the Treasurer and distributed to the Board of Selectmen, Town Administrator, Director of Finance and Finance Committee. The annual report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this Investment Policy.
- A summary of the income earned on a monthly basis and year to date basis shall be reported.
- The municipal treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the Town's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the Investment Policy.

#### **J. Effective date**

This policy will become effective immediately upon passage by the Board of Selectmen and will apply to all investments made after the adoption of this policy.

## **II. The Investment of Town Trust Funds.**

This section of the policy applies only to funds that could be invested long term, i.e. trust funds.

### **A. Scope**

This policy applies to all accounts that are designated as Trust Funds.

The Town's policy is that all accounts will be maintained separately receiving their proportionate interest and any realized and unrealized gains or losses. The account will be established as a pooled investment portfolio unless otherwise stated. Any additional accounts will be maintained in this same manner.

### **B. Objectives**

Massachusetts General Laws, Chapter 44, section 54 requires the Town Treasurer to invest all public trust funds except those required to be kept uninvested by the donor.

This section also requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking account of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operations of the various trusts.

*Safety* of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. The diversification and prudent selection of investment instruments, and choice of depository shall mitigate these risks. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.

*Liquidity* is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.

*Yield* is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

### **C. Investment Instruments**

M.G.L. Chapter 44 section 54 states that money should be deposited into savings bank, trust companies incorporated under the laws of the commonwealth, banking companies incorporated under the laws of the commonwealth which are members of the Federal Deposit Insurance Corporation, or national banks, or invested in participation units in a combined investment fund under section thirty-eight A of chapter twenty-nine, or in a paid-up shares and accounts of and in co-operative banks, or in shares of savings and loan associations or in share or savings deposits of federal savings and loan associations doing business in the commonwealth.

Additionally the Town of West Boylston may invest such funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the commonwealth; provided, that not more than fifteen percent of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than one and one-half percent of such funds be invested in the stock of any one bank or insurance company.

It is the Town's policy that the Treasurer may invest Trust Funds in the following instruments:

1. **U. S. Treasuries that maybe sold prior to maturity:** Unlimited amounts (With no limit to the length of maturity from date of purchase)
2. **U.S. Agency obligations that maybe sold prior to maturity.** Unlimited amounts (With no limit to the length of maturity from date of purchase)
3. **Bank accounts or Certificates of Deposit**, hitherto termed C.D.'s. Unlimited amounts (With no limit to the length of maturity from date of purchase), which is fully collateralized through a third party agreement:
4. **Bank accounts and C.D.'s (Up to one year) insured by F.D.I.C.** up to \$100,000 limit. All bank accounts and C.D.'s in one institution are considered in the aggregate to receive the \$100,000 insurance coverage. In some cases Banking Institutions carry additional insurance, i.e. Depository Insurance Fund of Massachusetts (D.I.F.M). **Insured by D.I.F.M.** investments are Limited to the Amount Guaranteed in Writing to be Insured by the Bank.
5. **Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories.** These investments are subject to the following limitations: These investments will be limited to no more than 5% of an institution's assets and no more than 10% of a municipality's cash. Their credit worthiness will be tracked by Veribanc, Sheshunoff, or other bank credit worthiness reporting systems. They will be diversified as much as possible. C.D.'s will be purchased for no more than three months and will be reviewed frequently.
6. **Common and preferred stock** that are listed in the List of Legal Investments.
7. **Investment Funds** that are listed in the List of Legal Investments.
8. **All other items not separately identified here** that are listed in the List of Legal Investments.

#### **E. Standards of Care**

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures, and this investment policy, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived.

In addition this section would also apply to M.G.L. Chapter 44 Section 55A which refers to the liability of the Treasurer for losses due to bankruptcy.

#### **F. Diversification**

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities as well as concentration in a specific institution, with the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies.

#### **G. Ethics**

The Treasurer and any Assistant Treasurer shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. The Treasurer shall disclose to the Town Administrator any material financial interest in financial institutions that do business with the town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the town's investments.

#### **H. Relationship with Financial Institutions**

Financial institutions should be selected first and foremost with regard to safety. The Town of West Boylston subscribes Veribanc a recognized bank rating service. Brokers should be recognized, reputable dealers.

The Treasurer shall require any brokerage houses and broker/dealers, wishing to do business with the Town of West Boylston, to supply the following information to the Treasurer:

- Audited financial statements
- Proof of National Association of Security Dealers certification
- A statement that the dealer has read the municipality's investment policy and will comply with it

#### **I. Procedures**

- On a quarterly basis, a report containing the following information will be prepared by the Treasurer and distributed to the Board of Selectmen, Town Administrator, Director of Finance and Finance Committee. The quarterly report will include the following information, as a minimum requirement:
- A listing of the individual accounts and individual securities held at the end of the reporting period.

- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this Investment Policy.
- A summary of the income earned on a monthly basis and year to date basis shall be reported.
- The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the Town's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the Investment Policy.

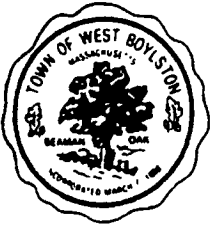
#### **J. Legal References**

Massachusetts General Law Chapter 44, Section 54  
 Massachusetts General Law Chapter 44, Section 55A  
 Massachusetts General Law Chapter 44, Section 55B

Trust Funds may be co-mingled and invested in any instruments allowed by the Commonwealth of Massachusetts list of Legal Investments Legal issued by the Banking Commissioner each July. Each trust fund must be accounted for separately. Chapter 44 Section 54 sets forth that Treasurers may invest in instruments that are legal for savings banks. This list of investments is included in the Commonwealth of Massachusetts List of Legal Investments, Chapter 167 Section 15A.

#### **K. Effective date**

This policy will become effective immediately upon passage by the Board of Selectmen and will apply to all investments made after the adoption of this policy.



POLICY No.: J-6  
DATE ADOPTED: MAY 20, 2009

## **TOWN OF WEST BOYLSTON BOARD OF SELECTMEN'S POLICY**

### **Identity Theft Prevention Program**

**Purpose:** This Identity Theft Prevention Program (the "Program") was created in order to comply with regulations issued by the Federal Trade Commission (FTC) as part of the implementation of the Fair and Accurate Credit Transaction (FACT) Act of 2003. The FACT Act requires that financial institutions and creditors implement written programs which provide for detection of and response to specific activities ("red flags") that could be related to identity theft. Likewise, users of consumer reports who receive a notice of an address discrepancy from a Credit Reporting Agency ("CRA") must have procedures in place in order to form a reasonable belief of the consumer's identity.

The FTC regulations require that the program must:

1. Identify relevant red flags and incorporate them into the program
2. Identify ways to detect red flags
3. Include appropriate responses to red flags
4. Address new and changing risks through periodic program updates
5. Include a process for administration and oversight of the program and staff training
6. Include appropriate and effective oversight of service provider arrangements
7. Effectively respond to "notices of address discrepancy"

**Background:** This program is in response to and in compliance with the Fair and Accurate Credit Transaction (FACT) Act of 2003 and the final rules and guidelines for the FACT Act issued by the Federal Trade Commission and federal bank regulatory agencies in November 2007

### **Program Details:**

#### **Relevant Red Flags**

Red flags are warning signs or activities that alert a creditor to potential identity theft. The guidelines published by the FTC include 26 examples of red flags that fall into the five categories below:

- Alerts, notifications, or other warnings received from consumer reporting agencies or service providers
- Presentation of suspicious documents
- Presentation of suspicious personal identifying information
- Unusual use of, or other suspicious activity related to, a covered account
- Notice from customers, victims of identity theft, or law enforcement authorities

After reviewing the FTC guidelines and examples, the Finance Department determined that the following red flags are applicable to sewer utility accounts. These red flags, and the appropriate responses, are the focus of this program.



- A consumer credit reporting agency reports the following in response to a credit check request:
  - Fraud or active duty alert
  - Credit freeze
  - The Social Security Number (SSN) is invalid or belongs to a deceased person
  - The age or gender on the credit report is clearly inconsistent with information provided by the customer
- Suspicious Documents and Activities
  - Documents provided for identification appear to have been altered or forged.
  - The photograph on the identification is not consistent with the physical appearance of the customer.
  - Other information on the identification is not consistent with information provided by the customer.
  - The SSN provided by the customer belongs to another customer in the Customer Information System (UTILITY BILLING SOFTWARE APPLICATION).
  - The customer does not provide required identification documents when attempting to establish a utility account or make a payment.
  - A customer refuses to provide proof of identity when discussing an established utility account.
  - A person other than the account holder or co-applicant requests information or asks to make changes to an established utility account.
  - An employee requests access to the billing system or information about a utility account, and the request is inconsistent with the Privacy of Utility Account Information Rules.
- A customer notifies the Sewer Division of any of the following activities:
  - Utility statements are not being received
  - Unauthorized changes to a utility account
  - Unauthorized charges on a utility account
  - Fraudulent activity on the customer's bank account or credit card that is used to pay utility charges
- The Sewer Division is notified by a customer, a victim of identity theft or a member of law enforcement that a utilities account has been opened for a person engaged in identity theft.

#### Detecting and Responding to Red Flags

Red flags will be detected as Sewer Division and Department of Finance employees interact with customers and the town's credit reporting agency. An employee will be alerted to these red flags during the following processes:

- Establishing a new utility account: When establishing a new account, a customer is asked to provide a SSN so that the town can run a credit check. Reports from the credit reporting agency may contain red flags.

**Response:** Do not establish the utility account. Ask the customer to appear in person and provide a government-issued photo identification. A deposit may also be required in order to establish service.

- Reviewing customer identification in order to establish an account or process a payment: The town employees may be presented with documents that appear altered or inconsistent with the information provided by the customer.

**Response:** Do not establish the utility account or accept payment until the customer's identity has been confirmed.

- Answering customer inquiries on the phone, via email, and at the counter: Someone other than the account holder or co-applicant may ask for information about a utility account or may ask to make changes to the information on an account. A customer may also refuse to verify their identity when asking about an account.

**Response:** Inform the customer that the account holder or the co-applicant must give permission for them to receive information about the utility account. Do not make changes to or provide any information about

the account, with one exception: if the service on the account has been interrupted for non-payment, the town employee may provide the payment amount needed for reconnection of service.

- Processing requests from Town of West Boylston employees: Employees may submit requests for information in the UTILITY BILLING SOFTWARE APPLICATION billing system that are inconsistent with the rules regarding: Privacy of Utility Account Information.

**Response:** All requests for direct access to the UTILITY BILLING SOFTWARE APPLICATION system are approved by the DPW Director, so the Information Technology Department should reject requests that have not received appropriate approval. All other requests for information from the UTILITY BILLING SOFTWARE APPLICATION system should be reviewed to ensure that they do not violate any part of the Privacy Policy. Requests that are inconsistent with the policy will be denied.

- Receiving notification that there is unauthorized activity associated with a utility account: Customers may call to alert the Town about fraudulent activity related to their utility account and/or the bank account or credit card used to make payments on the account.

**Response:** Verify the customer's identity, and notify the DPW Director immediately. Take the appropriate actions to correct the errors on the account, which may include:

- Issuing a service order to connect or disconnect services
- Assisting the customer with deactivation of their payment method
- Updating personal information on the utility account
- Updating the mailing address on the utility account
- Updating account notes to document the fraudulent activity
- Adding a password to the account
- Notifying and working with law enforcement officials

- Receiving notification that a utilities account has been established for a person engaged in identity theft.

**Response:** These issues should be escalated to the DPW Director immediately. The claim will be investigated and appropriate action will be taken to resolve the issue as quickly as possible.

Additional procedures that help to protect against identity theft include:

- UTILITY BILLING SOFTWARE APPLICATION system access is based on the role of the user. Only certain job classifications have access to the entire system.
- Customers may not access information about their utility account online.
- The Finance Department will investigate ways to reduce the number of paper receipts generated during payment processing.
- The Finance Department will ensure that service providers that receive and process utility billing information have programs in place to detect and prevent identity theft.

## ADDRESS DISCREPANCIES.

- In the event that a notice of address discrepancy is received, the employee responsible for verifying consumer addresses for the purpose of providing the municipal service or account sought by the consumer shall perform one or more of the following activities, as determined to be appropriate by such employee:
  - Compare the information in the consumer report with:
    - a. Information the employee obtains and uses to verify a consumer's identity;
    - b. Information the Sewer Division maintains in its own records, such as applications for service, change of address notices, other customer account records or tax records; or
    - c. Information the Sewer Division obtains from third-party sources that are deemed reliable by the relevant employee; or
  - Verify the information in the consumer report with the consumer.
- Furnishing Consumer's Address to Consumer Reporting Agency.
  - In the event that the Sewer Division reasonably confirms that an address provided by a consumer to the Sewer Division is accurate, the Sewer Division shall provide such address to the consumer reporting agency from which the Sewer Division received a notice of address discrepancy regarding such consumer. This information shall be provided to the consumer reporting agency when:
    - a. The Sewer Division is able to form a reasonable belief that the consumer report relates to the consumer about whom the Sewer Division requested the report;
    - b. The Sewer Division establishes a continuing relation with the consumer; and
    - c. The Sewer Division regularly and in the ordinary course of business provides information to the consumer reporting agency from which it received the notice of address discrepancy.
  - Such information shall be provided to the consumer reporting agency as part of the information regularly provided by the Sewer Division to such agency for the reporting period in which the Sewer Division establishes a relationship with the customer.
- Methods of Confirming Consumer Addresses.
  - The Sewer Division employee charged with confirming consumer addresses may, in his or her discretion, confirm the accuracy of an address through one or more of the following methods:
    - (1) Verifying the address with the consumer;
    - (2) Reviewing the Sewer Division's records to verify the consumer's address;
    - (3) Verifying the address through third party sources; or
    - (4) Using other reasonable processes.

## Administration and Oversight of the Program

The Town Administrator is responsible for oversight of this program and for program implementation. The Town Administrator is responsible for reviewing reports prepared by staff regarding compliance with this program and with recommending material changes to the program, as necessary in the opinion of the Town Administrator, to address changing identity theft risks. Any recommended material changes to this program shall be submitted to the Town Administrator.

Finance Department staff is required to prepare an annual report which addresses the effectiveness of the program, documents significant incidents involving identity theft and related responses, provides updates related to external service providers, and includes recommendations for material changes to the program.

The program will be reviewed at least annually and updated as needed based on the following events:

- Experience with identity theft
- Changes to the types of accounts and/or programs offered
- Implementation of new systems and/or new vendor contracts

Specific roles are as follows:

The DPW Director will submit an annual report to the Finance Director and the Town Administrator. The DPW Director and Town Collector will also oversee the daily activities related to identity theft detection and prevention and ensure that all members of the Sewer Division and Town Collector's staff are trained to detect and respond to red flags.

The Finance Director will provide ongoing oversight to ensure that the program is effective.

The Finance Director will review the annual report with the Town Administrator and together with the DPW Director they will present recommended changes to the program, both annually and on an as-needed basis.

The Board of Selectmen must approve the initial program and all future changes.



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## Chapter 70 Net School Spending Compliance, Budgeted FY09

Select District: 322 - WEST BOYLSTON

Go

322 - WEST BOYLSTON

See FYo8 Compliance

5/13/2009

	School Committee	City/Town	Total
01 Administration (1000)	453,210	115,602	568,812
02 Instruction (2000)	7,225,377		7,225,377
03 Attendance-Health (3100, 3200)	107,556		107,556
04 Food Services (3400)			
05 Athletics/Student Activities/Security(3500, 3600)	78,166		78,166
06 Maintenance (4000)	345,428	12,000	357,428
07 Employee Benefits (5100)		170,565	170,565
08 Insurance (5200)	2,950	1,750,714	1,753,664
09 Retired Employee Insurance (5250)			
10 Rentals (5300)	47,071		47,071
11 Short Term Interest (5400)			
12 Tuition (9000)	933,175	191,672	1,124,847
13 FY09 Budgeted School Spending (lines 1 through 12)	9,192,933	2,240,553	11,433,486
14 FY09 Budgeted School Revenues			
14a) FY09 Budgeted School Revenues			
14b) FY09 Circuit Breaker Reimbursement	49,676		49,676
14c) FY09 Charter Reimbursement		49,030	49,030
Subtotal, Budgeted School Revenues (14a+14b+14c)	49,676	49,030	98,706
15 FY09 Net School Spending (13 minus 14)			11,334,780
16 FY09 Chapter 70 Required Net School Spending			9,080,018
17 Carryover from FY08			
18 Total FY09 Requirement (16 + 17)			9,080,018
19 Shortfall in Budgeted FY09 Net School Spending (18 - 15)			
20 Carryover/Penalty Calculation, Percent Unexpended (19 / 16)			0.00 %

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## Chapter 70 Trends, FY99 Through FY09

Select District: Download the file:

### 322 - WEST BOYLSTON

Updated as of 5/13/2009

FY	Foundation Enrollment	Pct Chg	Foundation Budget	Pct Chg	Required Local Contribution	Chapter 70 Aid	Pct Chg	Required Net School Spending(NSS)	Pct Chg	Actual Net School Spending	Pct Chg	Dollars Over/Under Requirement	Pct Over/Under
FY99	994		5,616,102		3,786,989	1,249,196		5,036,185		5,904,148		867,963	17.2
FY00	1,067	7.3	6,090,925	8.5	4,058,427	2,115,280	69.3	6,173,707	22.6	6,608,645	11.9	434,938	7.0
FY01	1,141	6.9	6,745,078	10.7	4,161,917	2,583,161	22.1	6,745,078	9.3	7,413,903	12.2	668,825	9.9
FY02	1,075	-5.8	6,742,696	0.0	4,330,891	2,650,051	2.6	6,980,942	3.5	8,300,498	12.0	1,319,556	18.9
FY03	1,085	0.9	7,058,260	4.7	4,593,776	2,723,155	2.8	7,316,931	4.8	8,605,914	3.7	1,288,983	17.6
FY04	1,089	0.4	7,252,707	2.8	4,700,352	2,552,355	-6.3	7,252,707	-0.9	9,218,597	7.1	1,965,890	27.1
FY05	1,061	-2.6	7,321,146	0.9	4,959,341	2,552,355	0.0	7,511,696	3.6	8,951,330	-2.9	1,439,634	19.2
FY06	1,040	-2.0	7,463,040	1.9	5,272,275	2,604,355	2.0	7,876,630	4.9	9,618,878	7.5	1,742,248	22.1
FY07	1,040	0.0	7,862,836	5.4	5,529,064	2,737,047	5.1	8,266,111	4.9	10,223,969	6.3	1,957,858	23.7
FY08	1,031	-0.9	8,303,886	5.6	5,698,232	2,880,036	5.2	8,578,268	3.8	10,571,446	3.4	1,993,178	23.2
FY09	1,025	-0.6	8,764,535	5.5	6,056,904	3,023,114	5.0	9,080,018	5.8	11,334,780 *	7.2	2,254,762	24.8

FY	Dollars per Foundation Enrollment			Percentage of Foundation			Chapter 70 Aid as Pct of Actual NSS
	Fnd Budget	Ch 70 Aid	Actual NSS	Ch 70	Required NSS	Actual NSS	
FY99	5,650	1,257	5,940	22.2	89.7	105.1	21.2
FY00	5,708	1,982	6,194	34.7	101.4	108.5	32.0
FY01	5,912	2,264	6,498	38.3	100.0	109.9	34.8
FY02	6,272	2,465	7,721	39.3	103.5	123.1	31.9
FY03	6,505	2,510	7,932	38.6	103.7	121.9	31.6
FY04	6,660	2,344	8,465	35.2	100.0	127.1	27.7
FY05	6,900	2,406	8,437	34.9	102.6	122.3	28.5
FY06	7,176	2,504	9,249	34.9	105.5	128.9	27.1
FY07	7,560	2,632	9,831	34.8	105.1	130.0	26.8
FY08	8,054	2,793	10,254	34.7	103.3	127.3	27.2
FY09	8,551	2,949	11,058	34.5	103.6	129.3	26.7

- Notes:**
- Foundation enrollment is reported in October of the prior fiscal year (e.g. FY08 enrollment = Oct 1, 2006 headcount).
  - Foundation budget is the state's estimate of the minimum amount needed in each district to provide an adequate educational program.
  - Required Net School Spending is the annual minimum that must be spent on schools, including carryovers from prior years.
  - Net School Spending includes municipal indirect spending for schools but excludes capital expenditures and transportation.
  - \* Budgeted

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# TOWN OF WEST BOYLSTON - FY 2010 DEPARTMENTAL BUDGET REQUEST

Department

Date of Budget Submittal:

	FY 2008 ACTUAL (1)	FY 2009 BUDGET (2)	FY 2010 LEVEL FUND (3)	FY 2010 -10% (4)	FY09-FY10 NEEDS MINUS 10% CHANGE
SALARIES	0.00	0.00	0.00	0.00	0.00%
PURCHASE SERVICES	0.00	0.00	0.00	0.00	0.00%
SUPPLIES	0.00	0.00	0.00	0.00	0.00%
OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00%
CAPITAL	0.00	0.00	0.00	0.00	0.00%
<b>TOTALS</b>	0.00	0.00	0.00	0.00	0.00%

## EXPLANATION OF COLUMNS:

- (1) Actual expenditures for F.Y. 2008  
 (2) Approved F.Y. 2009 budget. (Do not include Reserve Fund Transfers)  
 (3) Request for F.Y. 2010 Level Funded (Include only contractual salary increases)  
 (4) Request for F.Y. 2010: a minus 10% budget

- (1) Provide any comments if needed on the Justification Sheets that are attached in this spreadsheet  
 (2) Please be sure to fill out all necessary Budget Sheets. Ex Warrant Articles, & Detail Budget.  
 (3) All Items above will automatically feed from other detail sheets. Please be sure not to override calculations.

## FULL-TIME EQUIVALENT (FTE) EMPLOYEE POSITIONS

# OF POSITIONS	FY 2008 ACTUAL (1)	FY 2009 BUDGET (2)	FY 2010 REQUEST (3)		FY 2009 BUDGET (2)	FY 2010 LEVEL (3)
PERMANENT SALARIES				BASE PAY		
PART-TIME SALARIES				STEP INCREASES		
ELECTED SALARIES				OVERTIME		
APPOINTED SALARIES				OTHER PERS SERV		
SEASONAL SALARIES				NEW STAFF		
				<b>TOTALS</b>		
					0.00	0.00
<b>TOTAL POSITIONS</b>	0.0	0.0	0.0			

*NOTE: # of Actual Staff equates to the TOTAL number of benefit eligible employees*

Department: \_\_\_\_\_

Date of Submittal: \_\_\_\_\_

## FY 2010 BUDGET DETAIL

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 LEVEL FUND	FY 2010 minus 10%
<b>5100</b>	<b>SALARIES</b>				
	PERMANENT SALARIES				
	PART-TIME SALARIES				
	ELECTED SALARIES				
	APPOINTED SALARIES				
	OVERTIME				
	SEASONAL SALARIES				
	LONGEVITY				
	STIPENDS				
	CLOTHING				
<b>TOTAL</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

<b>6200</b>	<b>PURCHASE SERVICES</b>				
	CONSULTING SERVICES				
	PROF/TECH SERVICES				
	TELEPHONE				
	REPAIRS				
	MAINTENANCE CONTRACTS				
	POSTAGE				
	SEMINARS/CONFERENCES				
	PROF.DUES/MEMBERSHIPS				
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>6400</b>	<b>SUPPLIES</b>				
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>6700</b>	<b>OTHER</b>				
	TRAVEL				
	LICENSES & PERMITS				
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>7860</b>	<b>CAPITAL</b>				
	VEHICLES				
	EQUIPMENT				
	OTHER				
	PROJECT				
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



Date Submitted \_\_\_\_\_

DEPARTMENT \_\_\_\_\_

**ANTICIPATED WARRANT ARTICLES FOR F.Y. 2010**

<b>1.</b>	<u>Article:</u>	
	<u>Amount:</u>	<u>Has Article been submitted to Capital Planning? (Y/N)</u>
	<u>Reason Needed:</u>	
	<u>Effect if Not Passed:</u>	
<b>2.</b>	<u>Article:</u>	
	<u>Amount:</u>	<u>Has Article been submitted to Capital Planning? (Y/N)</u>
	<u>Reason Needed:</u>	
	<u>Effect if Not Passed:</u>	
<b>3.</b>	<u>Article:</u>	
	<u>Amount:</u>	<u>Has Article been submitted to Capital Planning? (Y/N)</u>
	<u>Reason Needed:</u>	
	<u>Effect if Not Passed:</u>	
<b>4.</b>	<u>Article:</u>	
	<u>Amount:</u>	<u>Has Article been submitted to Capital Planning? (Y/N)</u>
	<u>Reason Needed:</u>	
	<u>Effect if Not Passed:</u>	

*Reminder :* All Warrant Articles needing approval from the Capital Planning Committee MUST have been submitted for review **BEFORE** submitting them to the Appropriations Committee.

# TOWN OF WEST BOYLSTON

## F.Y. 2010 Budget Request Sheet

### DEPARTMENTAL COMMENTS REGARDING BUDGET LINE ITEMS

1)

2)

3)

4)

5)

6)

If additional space is needed please use another sheet.

TELEPHONE  
508 835-3490  
FAX: 508 835-4102  
EMAIL: lgaumond@westboylston-ma.gov



LEON A. GAUMOND, JR.  
TOWN ADMINISTRATOR

**TOWN OF WEST BOYLSTON**  
MUNICIPAL OFFICE BUILDING  
127 HARTWELL STREET  
WEST BOYLSTON, MASSACHUSETTS 01583-1108

To: Department Managers  
CC: Board of Selectmen  
Finance Committee  
From: Leon A. Gaumond Jr. Town Administrator  
Re: Budget preparation FY10  
Date: January 31, 2009

Attached please find the FY10 budget worksheets. Please feel free to contact me if you have any questions about these worksheets.

The budget worksheets are similar to the ones used in previous years however due to the fiscal uncertainty at this time, the forms were delayed in delivery to you by several months. These forms will be emailed to most Departments as a digital file and sent as this printed format and you can submit them in either form however it would be preferable to receive them in electronic format. I would like these to be returned to me by **February 13, 2009**. At this time, please do not include any increases for salaries for non-contractual employees as we may have to deal with salary increases later in the budget process this year.

As you probably know at this point, our revenue numbers are way down from last year; to the tune of nearly a million dollars after we include our increases in ambulance receipts. In addition, our free cash numbers appear to be nonexistent and we have come face to face with the structural deficit that we have been warning about for the past 7 years or so.

Considering our serious structural deficit, I am asking for submissions from each department for the following: a level funded budget and a minus 10% budget. I am looking for an explanation from each Department Manager on the impact of each of the proposed scenarios on your department if each one were to be adopted. For example, if you would be forced to lay off employees or stop purchasing necessary items for your department to absorb a level funded budget, I want to know that impact. Similarly, I want to know what the impact would be to absorb a 10% cut in your budget. Understand that I am not stating that you will get a level funded or a 10% cut budget. I am hoping that once I get all of the information sent to me, I will at that point sit down to work out the

budget for the Town. **Any new programs or needs must be submitted in writing to me separately with your budget packages.**

As I said to you in the past, if you have ANY budgetary suggestions to either help the Town reduce costs or raise revenues, please feel free to contact me. You can do so anonymously if you so wish. I have just installed a 'Suggestion Box' in the hallway outside of my office if you wish to do so.

Please pay particular attention to the FTE section on the cover page. I am trying to accurately depict the number of employees that each department has. For purposes of this exercise, FTE is any benefit-eligible position in the Town.

Finally, let it be known once again that I appreciate the work that each Department does on behalf of the Town. Yours is not an easy job and it is certainly has not gotten any easier over the past several years. Thank you for your attention to this letter and please feel free to contact me with any further questions.

Town of West Boylston  
Taxation Analysis  
FY 2001 - FY 2009

Description	2004		2005		2006		2007		2008	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent

Tax Rate	\$	14.55	\$	13.55	\$	12.13	\$	12.57	\$	13.12
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Property Values:

Residential	\$	532,410,681	82.28%	\$	611,445,608	84.26%	\$	732,612,851	85.90%	\$	752,612,614	84.58%
Commercial		55,673,719	8.60%		56,341,892	7.76%		61,392,449	7.20%		66,926,886	7.52%
Industrial		41,677,900	6.44%		42,128,500	5.81%		43,228,200	5.07%		52,271,600	5.87%
Personal		17,315,371	2.68%		15,761,940	2.17%		15,621,643	1.83%		17,988,134	2.02%
Total Values:	\$	647,077,671	100.00%	\$	725,677,940	100.00%	\$	852,855,143	100.00%	\$	889,799,234	100.00%

Tax Levy:

Residential	\$	7,746,575	82.28%	\$	8,285,088	84.26%	\$	8,886,594	85.90%	\$	9,874,278	84.58%
Commercial		810,053	8.60%		763,433	7.76%		744,690	7.20%		795,938	7.21%
Industrial		606,413	6.44%		570,841	5.81%		524,358	5.07%		572,268	5.18%
Personal		251,939	2.68%		213,574	2.17%		189,491	1.83%		206,738	1.87%
Total Tax Levy:	\$	9,414,980	100.00%	\$	9,832,936	100.00%	\$	10,345,133	100.00%	\$	11,039,444	100.00%

Single Family Parcels

Number	1,898	1,926	1,934	1,929
Value	\$ 451,681,800	\$ 610,213,000	\$ 612,490,400	\$ 597,859,200
Average Value	\$ 237,977.77	\$ 316,829.18	\$ 316,696.17	\$ 309,932.19
Average Tax Bill	\$ 3,462.58	\$ 3,843.14	\$ 3,980.87	\$ 4,066.31

